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July 10, 2024

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

**Re: Petition of PECO Energy Company for Approval of Its Default Service
Program for the Period from June 1, 2025 through May 31, 2029
Docket No. P-2024-3046008**

Dear Secretary Chiavetta:

Enclosed for filing is the **Joint Petition for Non-Unanimous Settlement** (“Joint Petition”) in the above-captioned matter.

As evidenced by the enclosed Certificate of Service, copies of the Joint Petition are being served on Administrative Law Judges Arlene Ashton and Eranda Vero and all parties of record.

If you have any questions, please contact me directly at 215.963.5384.

Very truly yours,



Kenneth M. Kulak

KMK/ap

c: Per Certificate of Service (w/encls.)

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PETITION OF PECO ENERGY :
COMPANY FOR APPROVAL OF ITS :
DEFAULT SERVICE PROGRAM FOR : **Docket No. P-2024-3046008**
THE PERIOD FROM JUNE 1, 2025 :
THROUGH MAY 31, 2029 :

CERTIFICATE OF SERVICE

I hereby certify and affirm that I have this day served a copy of **Joint Petition for Non-Unanimous Settlement** on the following persons in the manner specified in accordance with the requirements of 52 Pa. Code § 1.54:

VIA ELECTRONIC MAIL

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Dated: July 10, 2024

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**PETITION OF PECO ENERGY :
COMPANY FOR APPROVAL OF ITS : DOCKET NO. P-2024-3046008
DEFAULT SERVICE PROGRAM FOR :
THE PERIOD FROM JUNE 1, 2025 :
THROUGH MAY 31, 2029 :**

JOINT PETITION FOR NON-UNANIMOUS SETTLEMENT

July 10, 2024

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Exhibit C	Revised RFP Protocol
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Statement A	Statement in Support of Joint Petition for Non-Unanimous Settlement of PECO Energy Company
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Statement E	Statement in Support of Joint Petition for Non-Unanimous Settlement of the Tenant Union Representative Network and the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PETITION OF PECO ENERGY :
COMPANY FOR APPROVAL OF ITS : **DOCKET NO. P-2024-3046008**
DEFAULT SERVICE PROGRAM FOR :
THE PERIOD FROM JUNE 1, 2025 :
THROUGH MAY 31, 2029 :

JOINT PETITION FOR NON-UNANIMOUS SETTLEMENT

**TO THE HONORABLE ERANDA VERO AND ARLENE ASHTON,
ADMINISTRATIVE LAW JUDGES:**

PECO Energy Company (“PECO”), the Office of Consumer Advocate (“OCA”), the Office of Small Business Advocate (“OSBA”), the Tenant Union Representative Network and Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (together, “TURN/CAUSE-PA”), and the Energy Justice Advocates (“EJA”)¹ (collectively, the “Joint Petitioners”), by their respective counsel, submit this Joint Petition For Non-Unanimous Settlement (“Settlement”) in the above-captioned proceeding and request that the Administrative Law Judges approve the Settlement without modification.² In support of this Settlement, the Joint Petitioners state as follows:

¹ EJA consists of POWER Interfaith, Vote Solar, Clean Air Council, Sierra Club, Physicians for Social Responsibility Pennsylvania, and Penn Environment.

² Calpine Retail Holdings, Inc. (“Calpine”), Constellation Energy Generation, LLC and Constellation NewEnergy Inc. (“Constellation”), and the Philadelphia Area Industrial Energy Users Group (“PAIEUG”), which are parties to this proceeding, have authorized the Joint Petitioners to represent that they do not oppose the Settlement. The Retail Energy Supply Association (“RESA”) and NRG Inc. (“NRG”) are the only parties that have not joined this Joint Petition and indicated that they oppose the Settlement.

I. BACKGROUND

1. On February 2, 2024, PECO filed the above-captioned petition (the “DSP VI Petition”) requesting that the Pennsylvania Public Utility Commission (“Commission”) approve PECO’s proposed sixth default service program (“DSP VI” or the “Program”) for the period June 1, 2025 through May 31, 2029 in accordance with the Electricity Generation Customer Choice and Competition Act, 66 Pa.C.S. § 2801 *et seq.* (the “Competition Act”).

2. The Program set forth in PECO’s DSP VI Petition was designed to satisfy PECO’s obligation to furnish adequate and reliable service to default service customers at the least cost over time by procuring a prudent mix of long-term, short-term and spot market generation supplies. As explained in the DSP VI Petition, PECO proposed to continue most of the existing plans and programs approved by the Commission in PECO’s fifth default service proceeding (“DSP V”).³

3. Accompanying its DSP VI Petition, PECO filed the supporting data required by 52 Pa. Code § 53.52, as well as the prepared direct testimony and accompanying exhibits of Sulma Dalessio (PECO Statement No. 1); Megan A. McDevitt (PECO Statement No. 2); Scott G. Fisher (PECO Statement No. 3); and Katie Orlandi (PECO Statement No. 4).

4. PECO notified its customers of the filing of the DSP VI Petition by inserts included in the Company’s customers’ bills over a thirty-day period beginning on March 1, 2024. In addition, PECO published notices in major newspapers in its electric service area. The notices referred interested persons to PECO’s website, where a copy of the entire filing was available for review. In addition, PECO served its DSP VI Petition on the OCA, the OSBA, the

³ See *Petition of PECO Energy Co. for Approval of Its Default Serv. Program for the Period from June 1, 2021 through May 31, 2025*, Docket No. P-2020-3019290 (Order entered Dec. 3, 2020) (“DSP V Order”).

Commission's Bureau of Investigation and Enforcement, PJM Interconnection, L.L.C. ("PJM"), PAIEUG and RESA, as well as all electric generation suppliers ("EGSs") registered to provide service in PECO's service territory, and all active parties in PECO's DSP V proceeding.

5. On February 17, 2024, the *Pennsylvania Bulletin* published the Commission's Notice setting a deadline for filing protests, complaints or petitions to intervene by March 4, 2024 and scheduling a Prehearing Conference for March 8, 2024 before Administrative Law Judges ("ALJ") Eranda Vero and Arlene Ashton.

6. The OCA filed a Notice of Intervention, Public Statement and Answer, and the OSBA filed a Notice of Intervention, Answer, Verification, Public Statement and Notice of Appearance. Petitions to Intervene were filed by TURN/CAUSE-PA, Calpine, Constellation, EJA, PAIEUG, NRG and RESA.

7. A telephonic Prehearing Conference was held on March 8, 2024, at which a schedule was established for the submission of testimony and the conduct of hearings. Specifically, and consistent with Commission practice, a schedule was adopted whereby all case-in-chief, rebuttal and surrebuttal testimony would be submitted in writing in advance of hearings. Evidentiary hearings were scheduled for June 4 and 5, 2024, at which all testimony and exhibits would be placed in the record and all witnesses presented for oral rejoinder and cross-examination, if any, thereon. The ALJ thereafter issued a Scheduling Order establishing this schedule.

8. A telephonic public input hearing was scheduled and held on April 16, 2024. An in-person public input hearing was scheduled and held in Philadelphia on April 18, 2024.

9. On April 25, 2024, the OCA, the OSBA, EJA, RESA, and TURN/CAUSE-PA submitted a total of seven written statements and accompanying exhibits. On May 15, 2024,

PECO, the OCA, OSBA, RESA, and TURN/CAUSE-PA submitted nine statements constituting their rebuttal testimony in this case. On May 29, 2024, PECO, the OCA, RESA, EJA and TURN/CAUSE-PA submitted nine surrebuttal statements.

10. A telephonic evidentiary hearing was held on June 5, 2024. At the hearing, PECO witnesses Sulma Dalessio, Scott G. Fisher, and Katie Orlandi offered oral rejoinder testimony. In addition, the evidence and the written testimony and exhibits of all parties were admitted into evidence.⁴

11. Before and after the submission of written testimony, the parties engaged in discussions to try to achieve a settlement of some or all of the issues in this case. As a result of those discussions after the hearings, the Joint Petitioners were able to reach the Settlement and agree to a revised default service program consistent with PECO's DSP VI Petition, as modified herein ("Revised DSP VI"). The Joint Petitioners notified the ALJs of the Settlement on June 17, 2024. Thereafter, the ALJs deferred the filing of Initial and Reply Briefs to July 12, 2024 and July 26, 2024, respectively, after the filing of this Joint Petition.

II. TERMS AND CONDITIONS OF SETTLEMENT

12. The Settlement consists of the following terms and conditions:

A. Procurement Plan

13. The Joint Petitioners agree that the DSP VI Program shall be in effect for a period of four years, from June 1, 2025 through May 31, 2029.

14. PECO's default service customers shall be divided into the same three classes for purposes of default service procurement as those established in DSP V: the Residential Class,

⁴ At the request of the parties, the ALJs canceled the hearing scheduled for June 4, 2024.

the Small Commercial Class, and the Consolidated Large Commercial and Industrial (“C&I”) Class.

15. The Residential Class includes all residential customers currently receiving service under PECO rate schedules R and RH.

16. The Small Commercial Class includes customers with annual peak demands of up to and including 100 kW served under rate schedules GS, PD, and HT plus lighting customers on schedules AL, POL, SLE, SLS, SLC, and TLCL.

17. The Consolidated Large C&I Class includes customers with annual peak demands greater than 100 kW on rate schedules GS, HT, PD, and EP.

(1) **Residential Class**

18. For the Residential Class, PECO will continue to procure a mix of one-year (approximately 38%) and two-year (approximately 61%) fixed-price full requirements (“FPFR”) contracts, with six months spacing between the commencement of contract delivery periods. During the Revised DSP VI period, the remaining approximately 1% of Residential Class load will be supplied directly by PJM’s spot energy, capacity and ancillary services markets offset by the long-term solar procurement discussed in Paragraphs 20-25 below.

19. Suppliers will bid in a competitive, sealed-bid request for proposals (“RFP”) process on “tranches” corresponding to a percentage of the actual Residential default service customer load. Winning suppliers will be obligated to supply full requirements load-following service, which includes energy, capacity, ancillary services, and all other services or products necessary to serve a specified percentage of PECO’s default service load in all hours during the

supply product's delivery period.⁵ The full requirements product requires the supplier to provide PECO all necessary AECs described in Paragraph 36, *infra*, for compliance with Pennsylvania's Alternative Energy Portfolio Standards ("AEPS") Act, 73 P.S. § 1648.1 et seq. Each of the contracts will be procured approximately two months prior to the beginning of the applicable contract delivery period. As in DSP V, PECO will continue to nominate PJM Auction Revenue Rights ("ARRs") for the default service load. To facilitate selection and transfer of ARR to wholesale default service suppliers, PECO will continue to employ a consultant for ARR analysis and selection.

20. The Joint Petitioners agree to the procurement terms and schedule for the Residential Class FPCR contracts set forth in PECO Exhibit No. SD-1.

21. During the DSP VI Term, PECO will also procure, through ten-year, fixed-price power purchase agreements ("Solar PPAs"), the energy, capacity and solar photovoltaic alternative energy credits ("AECs") generated by one or more new Pennsylvania solar photovoltaic projects with total capacity of up to 25 MW (DC) to meet the default service requirements of residential customers. The winning project(s) will be selected through a competitive procurement process in which PECO will seek 25 MW (DC) of solar capacity but will have flexibility to enter into agreements with multiple projects totaling 25 MW (DC) with a minimum project size of 5 MW (DC).

22. PECO will issue a request for proposals ("Solar RFP") by the second quarter of 2025 in order to conduct the procurement in the third quarter of 2025. A proposed project will be considered to be "new" for purposes of PECO's procurement if the project has not

⁵ PECO remains responsible for all distribution services to its default service customers. The assignment of responsibility for PJM transmission-related costs is discussed in Section II.E., *infra*.

commenced the delivery of electric generation to any entity and its construction has not been completed as of the date project proposals are due under the RFP.

23. If the procurement does not result in a total contracted capacity of 25 MW (DC), PECO will conduct a second procurement within six to 12 months of the first procurement; provided, however, that if the capacity that was not contracted is less than 10 MW (DC), PECO shall have sole discretion whether to conduct a second procurement for that capacity. All costs of the first and (if necessary) the second procurement shall be considered a cost of generation supply for the default service residential class. PECO will publish the winning price (\$/MWh) and capacity (MW) of the executed PPA (or if more than one PPA is executed, the capacity of each PPA (MW) and the weighted average winning price (\$/MWh)) that is approved by the Commission. NERA Economic Consulting (“NERA”) will serve as the Independent Evaluator for PECO’s solar procurement.

24. The energy generated by the selected project(s) will be used to offset the spot purchases for the residential customer class as proposed under DSP VI and the AECs from the project will be used to meet residential class AEPS requirements. This solar energy procurement would be in place of the Company’s proposed increase in solar alternative energy credit procurement via long-term contracts.

25. PECO shall submit the Solar RFP and PPA to the Commission for approval within forty-five (45) days of a Commission order approving the Settlement after conferring in good faith with the Joint Petitioners regarding the terms of the Solar RFP and PPA, which shall be substantially similar to the solar request for proposals and power purchase agreement approved by the Commission in Docket No. P-2021-3030012. The parties to this proceeding

shall have the right to file comments on PECO's proposed Solar RFP and PPA within thirty (30) days after PECO's filing of the Solar RFP and PPA with the Commission.

(2) **Small Commercial Class**

26. The Small Commercial Class load will continue to be supplied by equal shares of one-year and two-year FPFR products. Each of the contracts for the Small Commercial Class will be procured through a competitive sealed-bid process in the same manner as FPFR products for the Residential Class approximately two months prior to delivery of energy under the contract.

27. The Joint Petitioners agree to the procurement terms and schedule for the Small Commercial Class FPFR contracts set forth in PECO Exhibit No. SD-1.

(3) **Consolidated Large Commercial and Industrial Class**

28. For its Consolidated Large C&I Class, PECO will continue to solicit twelve-month hourly-priced full requirements products, without overlap, for all default service supply. In order to improve participation and the number of bids competing to serve this customer class, the load cap will be increased from 50% to 75%.

29. PECO will procure default service supply for the Consolidated Large C&I Class annually as shown on PECO Exhibit No. SD-1.

B. Default Service Implementation Plan and Independent Evaluator

30. The Joint Petitioners agree to the form of the Supplier Master Agreement ("SMA") that PECO will execute with wholesale suppliers that are successful bidders in PECO's default service supply procurements set forth in PECO Exhibit No. SD-2.

31. The Joint Petitioners agree to the following changes to SMA approved by the Commission in the DSP V proceeding: (1) inclusion of new Appendix I that enables market

participants subject to the regulations issued by the Board of Governors of the Federal Reserve System (12 C.F.R. §§ 252.2, 252.81-88), the Federal Deposit Insurance Corporation (12 C.F.R. §§ 382.1-7) and the Office of the Comptroller of the Currency (12 C.F.R. §§ 47.1-8) to participate in the Company's default service solicitations; (2) revisions to introduce a capacity proxy price ("CPP") and true-up discussed in Paragraph 32 below.

32. Effective June 1, 2025, the Joint Petitioners agree that if PJM does not conduct its Base Residual Auction ("BRA") for capacity in time for default service suppliers to incorporate the auction results into their bids, the CPP will be the average of the most recent results under PJM's Reliability Pricing Model ("RPM") from the two most recent delivery years for which PJM has held a capacity auction. Commencing at the start of the delivery year for which the BRA results were not known, winning suppliers will be debited or credited (as applicable) any differences between the CPP and the actual PJM capacity price.

33. PECO agrees to withdraw its reserve price proposal. This withdrawal is made without prejudice to propose this price stability protection in future default service proceedings.

34. The Joint Petitioners agree to the Requests for Proposals ("RFP") for PECO's competitive sealed-bid solicitations and the RFP protocol set forth in Exhibits B and C hereto. Exhibits B and C are revised versions of PECO Exhibit Nos. KO-1 and KO-2, respectively, to reflect withdrawal of PECO's reserve price proposal under the Settlement.

35. PECO will again appoint NERA as the third-party independent evaluator for PECO's default service procurements, in addition to the new solar procurement.

C. Alternative Energy Portfolio Standards ("AEPS") Act Compliance

36. Under the SMA, as in DSP V, PECO will continue to require each full requirements default service supplier to transfer Tier I (including solar photovoltaic) and Tier II

AECs to PECO corresponding to PECO's AEPS obligations associated with the amount of default service load served by that supplier. In addition, PECO will continue to allocate AECs obtained through its separate solar procurements to suppliers in accordance with the percentage of load served by each supplier. PECO will retain any portion of its AEC inventory to meet AEPS obligations not provided for by fixed-price full requirements suppliers, and procure any additional required AECs through PECO's Tier I and Tier II "balancing" procurements previously authorized by the Commission. As described above, the AECs from the Solar PPAs will be used to meet the AEPS requirements associated with the spot portion of residential default service load served by PECO.

D. Contingency Plans

(1) Full Requirements

37. PECO will continue utilizing the contingency plans approved in prior default service programs. Specifically, in the event PECO fails to obtain sufficient approved bids for all offered tranches for a product in a solicitation, the unfilled tranches will be included in PECO's next default supply solicitation for that product. PECO will supply any unserved portion of its default service load from the PJM-administered markets for energy, capacity and ancillary services.

38. If a supplier default occurs within a reasonable time before a scheduled procurement, the load served by the defaulting supplier will be incorporated into that next procurement. Otherwise, PECO will file a plan with the Commission proposing alternative procurement options and a request for approval on an expedited basis.

(2) AEPS Requirements

39. PECO will issue the Solar RFP by the second quarter of 2025 in order to conduct the procurement in the third quarter of 2025. As described in paragraph 23, if this procurement does not result in a total contracted capacity of 25 MW (DC), PECO will conduct a second procurement within six to twelve months of the first procurement; provided, however, that if the capacity that was not contracted is less than 10 MW (DC), PECO shall have sole discretion whether to conduct a second procurement for that capacity. In the event these procurements are not successful, there will be no shortfall in AECs necessary in light of the obligation of full requirements suppliers to deliver AECs and PECO's existing authority to obtain any additional required AECs through PECO's Tier I and Tier II "balancing" procurements previously authorized by the Commission.

E. Rate Design And Cost Recovery

(1) Generation Supply Adjustment

40. PECO will continue to recover the cost of default service from default service customers through the Generation Supply Adjustment ("GSA") and Transmission Service Charge ("TSC") consistent with DSP V. For the Residential and Small Commercial customer classes, default service rates established pursuant to the GSA will change semi-annually instead of quarterly and over/undercollections of default service costs will continue to be reconciled on a semi-annual basis. Such rates will continue to recover: (1) generation costs, certain transmission costs and ancillary service costs established through PECO's competitive procurements; (2) supply management, administrative costs (including costs incurred to implement Commission-approved retail enhancement programs) and working capital, as provided in 52 Pa. Code § 69.1808; and (3) applicable taxes. The projected GSA will be filed by PECO on June 1 and

December 1 of each year. The GSA and TSC form the basis of the Price-to-Compare (“PTC”) that customers may use to evaluate competitive generation service offerings.

41. PECO’s default service rates for the Consolidated Large C&I will also continue to be charged through the GSA. For those customers, default service rates will continue to be based upon the price paid to winning suppliers in PECO’s hourly-priced service procurements, which includes the PJM day-ahead hourly locational marginal price (“LMP”) for the PJM PECO Zone, plus associated costs, such as capacity, ancillary services, PJM administrative expenses and costs to comply with AEPS requirements that are incurred to provide hourly-priced service. The Joint Petitioners agree that PECO will continue to file the Hourly Pricing Adder on a quarterly basis.

42. The default service rates for the Large Commercial and Industrial Class also include a reconciliation component to refund or recoup GSA over/under collections from prior periods. The Joint Petitioners agree that over/under collections of default service costs for the Consolidated Large C&I Class will continue to be reconciled on a semi-annual basis instead of a monthly basis.

43. PECO shall be permitted to file the GSA and Reconciliation tariff pages set forth in Exhibits D and E to the Joint Petition to become effective as of June 1, 2025. Exhibits D and E are revised versions of PECO Exhibit Nos. MAM-1 and MAM-2, respectively, to reflect the tariff changes set forth in this Settlement.

(2) Recovery of Certain PJM Charges

44. Wholesale suppliers will continue to be responsible for those PJM bill line items specified in the SMA.

45. PECO will continue to be responsible for and recover the following PJM charges from all distribution customers in PECO’s service area through its Non-Bypassable Transmission

Charge: Generation Deactivation/RMR charges (PJM bill line 1930) set after December 4, 2014; RTEP charges (PJM bill line 1108); and Expansion Cost Recovery charges (PJM bill line 1730).

(3) **Time-of Use Rates**

46. During DSP VI, PECO will continue its current Commission-approved TOU default service rate options for eligible customers in PECO’s Residential and Small Commercial procurement classes to comply with PECO’s obligation under Act 129 of 2008 (“Act 129”) to offer TOU and real-time rates to all default service customers with smart meters.⁶

47. PECO will perform a one-time evaluation of the Company’s current TOU rate structure and present the results in its next default service filing. PECO’s evaluation will include an assessment of enrollment rates and customer characteristics conducted through a voluntary email survey of all participating TOU customers (e.g., income, air conditioning, rooftop solar and electric vehicles ownership, etc.). The survey will include questions regarding whether customers would prefer an incentive-based program which PECO will use to inform the Company on whether to consider proposing incentive-based time varying rates in future proceedings. Additionally, PECO’s evaluation will include an analysis of seasonal variation in the calculation of the TOU multipliers.

(i) **TOU Product Structure and Rate Design**

48. PECO’s TOU rates will differentiate prices across three usage periods that are constant throughout the year as shown in Table 1 below.

Table 1

<u>TOU Pricing Period</u>	<u>Year-Round Days/Hours Included</u>
---------------------------	---

⁶ 66 Pa.C.S. §§ 2807(f)(5). The hourly-priced default service rate for the Consolidated Large C&I Class already meets Act 129 requirements.

Peak	2 p.m. – 6 p.m. Monday Through Friday, excluding PJM holidays
Super Off-Peak	Midnight (12 a.m.) – 6 a.m. Every day
Off-Peak	All other hours

These TOU pricing periods will be identical for the Residential and Small Commercial Classes.

49. PECO’s TOU price multipliers will continue to reflect the ratios calculated from average PJM PECO zone spot market prices as well as allocation of the cost of capacity to peak and off-peak hours only.

50. PECO will continue to review its TOU multipliers on an annual basis, using a rolling five years of historical PJM Day-Ahead Spot Market Pricing energy data and Reliability Pricing Model capacity pricing data for the PECO Zone. PECO will only update the applicable TOU pricing multipliers if the use of such data would result in no more than a 10% change from the prior-year’s TOU pricing multipliers. If the price multiplier change would exceed 10%, the applicable pricing multipliers will be changed by exactly 10%.

51. PECO’s TOU pricing multipliers effective June 1, 2023 through May 31, 2024 are shown in Table 2 below. The updated multipliers for the first year of DSP VI will be reflected in PECO’s GSA filing 45 days before June 1, 2025.

Table 2

<u>TOU Pricing Period</u>	<u>GSA-1 TOU Pricing Multipliers*</u>	<u>GSA-2 TOU Pricing Multipliers*</u>
---------------------------	---------------------------------------	---------------------------------------

Peak	7.21	5.56
Super Off-Peak	1	1
Off-Peak	1.46	1.55

*Ratio to Super Off-Peak TOU price

52. PECO will source both the standard and TOU default service for residential and small commercial customers from the same supply portfolio for each procurement class. PECO will use the standard default service GSA as the reference price for PECO’s TOU rate calculations.

53. PECO will calculate the TOU rates on a semi-annual basis, synchronized with the GSA adjustment periods as agreed to in this Settlement for the Residential and Small Commercial Classes, using the pricing methodology set forth in PECO Exhibit No. MAM-5. TOU customer kWh sales and costs will be included in the semi-annual reconciliation of the over/undercollection component of the GSA for the entire procurement class (i.e., Residential or Small Commercial).

(ii) Customer Eligibility

54. PECO’s TOU rates will be available to residential and small commercial default service customers with smart meters configured to measure energy consumption in watt-hours. However, customers enrolled in the Company’s Customer Assistance Program (“CAP”) will not be eligible for the residential TOU rate during the Revised DSP VI term to avoid potential adverse impacts on CAP benefits.

55. Eligible default service customers may enroll in PECO’s TOU Rates online or through the Company’s care center. Participating customers will remain on the TOU rate until

they affirmatively elect to return to PECO's standard default service rate, switch to an EGS or otherwise become ineligible.

56. Customers who select the TOU rate may leave at any time without incurring related penalties or fees. However, if those customers subsequently leave the TOU Rate for any reason, they may not re-enroll for twelve billing months after switching off the TOU Rate.

(iv) Implementation Plan and Cost Recovery

57. PECO will continue to use the communications plan approved in the DSP V proceeding to inform customers about TOU rates and update enrolled TOU customers about the opportunity for bill savings. This plan includes a webpage dedicated to the TOU Rates, a variety of other customer education materials, and monthly e-mail communications to enrolled TOU customers.

58. PECO agrees to add the following disclosure to PECO's TOU webpage in the section titled, "Is Time-of-Use Pricing right for me?":

(a) "If you are having trouble affording your electricity bill, PECO offers programs and services to help those in need. Contact PECO at 1-800-494-4000 for more information and to apply."

59. PECO agrees to, no less frequently than every six (6) months, attempt personal contact with confirmed low-income TOU customers to encourage those customers to enroll in PECO's CAP.

60. PECO agrees to continue to evaluate the impacts of the Company's TOU rates on confirmed low-income customers as part of the annual report required by Act 129.

61. To assist in the preparation of the annual report, PECO will continue to track TOU customers' income and demographic information (e.g., age, race, ethnicity and disability

status). However, eligible customers who refuse to disclose this information will not be precluded from enrolling in PECO's TOU rates.

62. PECO will recover the costs to implement the new TOU rates from customers in the eligible procurement classes (i.e., the Residential and Small Commercial Classes) through the administrative cost factor of the GSA.

F. Standard Offer Program

63. The currently-effective Standard Offer Program ("SOP"), including the cost recovery mechanisms last approved by the Commission in PECO's DSP V proceeding, will continue as modified by this Settlement until May 31, 2029, unless ordered by the Commission to be terminated sooner.

64. The Joint Petitioners agree that for all SOP contracts executed after June 1, 2025, EGSs must automatically transfer SOP customers to default service upon the expiration of the SOP contract unless the customer affirmatively elects to remain with the SOP supplier. PECO's Electric Generation Supplier Coordination Tariff ("Supplier Tariff") set forth in Exhibits F and G hereto has been updated to reflect this requirement. PECO will change its SOP scripting to inform all customers who enroll after June 1, 2025, that enrollment in an SOP contract under those terms will operate as consent to return to default service absent an affirmative decision to remain with the SOP supplier at the end of the term.

G. Residential Customer Bill Improvements

65. The Joint Petitioners agree to adopt PECO's proposed Residential bill format change as modified by this Settlement, originally set forth in PECO Exhibit SD-6, adding a graphic to the first page of the residential customer bill that compares the customer's total

supplier charges for the billing period with what the dollar amount of the charges would be under PECO's applicable PTC based on the customer's usage during the billing period.

66. The Joint Petitioners agree PECO should not include the third column of the new chart titled "Electric Supplier Savings" presenting the variance between the two dollar amount figures as shown in Exhibit H hereto. Exhibit H is a revised version of PECO Exhibit No. SD-6, to reflect the Residential bill format changes set forth in this Settlement.

H. Access to PECO's CAP for Applicants with EGS Supply

67. Commencing with all EGS contracts with Residential customers executed after June 1, 2025, EGSs will not be permitted to charge early cancellation, termination, or other fees to any shopping customer that is transitioning into PECO's CAP. PECO's Supplier Tariff set forth in Exhibits F and G has been updated to reflect this restriction.

68. PECO agrees that by June 1, 2025, the Company will implement the following:

(a) PECO will add the following bullet point language to the CAP Follow-up

Letter:⁷

To enroll in CAP, you must return to default service and drop your generation supplier. Please call 1-800-774-7040 for assistance with this process.

(b) Upon contact from a CAP applicant who is enrolled with a generation supplier, PECO will assist the CAP applicant with removal of the generation supplier in order to return to default service once the Company has confirmed that the applicant qualifies for CAP. PECO will update its call center scripts to reflect this customer service practice.

⁷ See TURN/CAUSE-PA St. 1, Appendix B.

(c) PECO will convene a stakeholder process to discuss modifications to its CAP application to inform CAP applicants that, upon submission of a CAP application, PECO is authorized to return the applicant to default service upon enrollment in CAP. PECO will include its modified CAP application with its filing in the next default service proceeding and support such proposed application becoming effective concurrent therewith.

(d) PECO will track and report to its Universal Service Advisory Committee at least every six months the number of CAP applicants who were issued a “Customer Refuse to Drop Supplier” letter.⁸

69. Effective June 1, 2025, PECO will amend its CAP Welcome Letter to inform new CAP enrollees that generation suppliers are prohibited from charging them cancellation or termination fees, as well as providing instructions on how to file an informal complaint with the Commission if the supplier assesses such a fee.

I. Request For Waivers

70. The Commission’s regulations (52 Pa. Code § 54.187) and Policy Statement (52 Pa. Code § 69.1805) provide that default service providers should design procurement classes based upon peak loads of 0-25 kW, 25-500 kW, and 500 kW and greater, but default service providers may propose to depart from these specific ranges, including to “preserve existing customer classes.” If necessary, the Joint Petitioners respectfully request that the Commission grant PECO a waiver of 52 Pa. Code § 54.187 to allow PECO’s procurement classes to be as delineated in Section II.A, *supra*.

⁸ See TURN/CAUSE-PA St. 1, Appendix B.

71. To the extent necessary, the Joint Petitioners also respectfully request that the Commission grant PECO a waiver of 52 Pa. Code §§ 54.187(i) and (j) to allow PECO to continue quarterly filing of hourly-priced default service rates and semi-annual reconciliation of the over/under collection component of the GSA for all default service customers as explained in Section II.E., *supra*.

III. THE SETTLEMENT IS IN THE PUBLIC INTEREST

72. PECO, the OCA, the OSBA, EJA, and TURN/CAUSE-PA have prepared, and attached to this Joint Petition, Statements in Support identified as Statements A through F, respectively, setting forth the bases on which they believe the Settlement is in the public interest.

73. The Joint Petitioners submit that the Settlement is in the public interest for the following additional reasons:

- ***Substantial Litigation And Associated Costs Will Be Avoided.*** The Settlement amicably and expeditiously resolves a number of important and contentious issues. The administrative burden and costs to litigate these matters to conclusion would be substantial.
- ***The Settlement Is Consistent With Commission Policies Promoting Negotiated Settlements.*** The Joint Petitioners arrived at the Settlement terms after conducting extensive discovery and engaging in in-depth discussions over several weeks. The Settlement terms and conditions constitute a carefully crafted package representing reasonable negotiated compromises on the issues addressed herein. Thus, the Settlement is consistent with the Commission's rules and practices encouraging negotiated settlements (*see* 52 Pa. Code §§ 5.231, 69.391 and 69.401), and is supported by a substantial record.

IV. ADDITIONAL TERMS AND CONDITIONS

74. The Joint Petitioners agree that this Settlement represents the default service procurement plan for all of PECO's customer classes for the Revised DSP VI term. PECO shall be entitled to recover all costs incurred by the Company under its procurement plan as set forth in this Settlement, and the Joint Petitioners agree that they shall neither challenge nor seek disallowance of such costs (including pursuant to 66 Pa.C.S. §§ 2807(e)(3.8) and (3.9)), provided that PECO's procurements are made in accordance with the approved plan and there has been no fraud, collusion, or market manipulation with regard to the contracts entered into under the plan.

75. This Settlement is proposed by the Joint Petitioners to settle the instant case and is made without any admission against, or prejudice to, any position which any Joint Petitioner might adopt during subsequent litigation of this case or any other case. It is understood, however, that Paragraph 74 shall be binding upon the Joint Petitioners should the Settlement be approved.

76. Each term and condition set forth in this Joint Petition, whether or not set out in a numbered paragraph, shown in a table or other graphic presentation, bolded, italicized or otherwise emphasized, or set forth in the body, a footnote, a parenthetical, an appendix, an exhibit, or otherwise, is material consideration to the entry into this Settlement by the Joint Petitioners signing below.

77. This Settlement is conditioned upon the Commission's approval of the terms and conditions contained herein without modification. If the Commission should disapprove the Settlement or modify the terms and conditions herein, this Settlement may be withdrawn upon written notice to the Commission and all active parties within five business days following entry of the Commission's Order by any of the Joint Petitioners and, in such event, shall be of no force

and effect. In the event that the Commission disapproves the Settlement or the Company or any other Joint Petitioner elects to withdraw as provided above, the Joint Petitioners reserve their respective rights to fully litigate this case, including but not limited to presentation of witnesses, cross-examination and legal argument through submission of Briefs, Exceptions and Replies to Exceptions.

78. If the Administrative Law Judges, in their Recommended Decision, recommend that the Commission adopt the Settlement as herein proposed without modification, the Joint Petitioners agree to waive the filing of Exceptions. However, the Joint Petitioners do not waive their rights to file Exceptions with respect to any modifications to the terms and conditions of this Settlement, or any additional matters proposed by the Administrative Law Judges in their Recommended Decision (including the ALJs' determinations regarding issues that may be raised by RESA and NRG in their opposition to the Settlement). The Joint Petitioners also reserve the right to file Replies to any Exceptions that may be filed.

WHEREFORE, the Joint Petitioners, by their respective counsel, respectfully request that Administrative Law Judges Vero and Ashton issue a Recommended Decision and the Commission enter an Order:

1. Approving the Settlement and PECO's Revised DSP VI, as set forth herein, including all terms and conditions thereof;
2. Approving the selection of NERA Economic Consulting to continue as the third-party Independent Evaluator for PECO's default service procurements;
3. Approving the selection of NERA Economic Consulting to serve as the third-party Independent Evaluator for PECO's long-term solar procurement;
4. Finding that PECO's Revised DSP VI includes prudent steps necessary to negotiate favorable generation supply contracts;
5. Finding that the PECO's Revised DSP VI includes prudent steps necessary to obtain least cost generation supply contracts on a long-term, short-term and spot market basis;
6. Finding that neither PECO nor its affiliates have withheld from the market any generation supply in a manner that violates federal law;
7. Finding that PECO's TOU rate options agreed to under this Settlement satisfy PECO's obligations under 66 Pa.C.S. § 2807(f)(5);
8. Granting a waiver of the rate design provisions of 52 Pa. Code § 54.187, to the extent necessary, to permit PECO to continue to procure generation for three procurement classes, quarterly filing of hourly-priced default service rates and semi-annual reconciliation of the over/under collection component of the GSA for all default service customers as set forth in PECO's Revised DSP VI;

9. Authorizing the Electric Service Tariff and Supplier Tariff pages set forth in Exhibits D and F to this Settlement to become effective as of June 1, 2025.

10. Terminating the proceeding at Docket No. P-2024-3046008 following a Commission decision on the issues raised by the non-settling parties.

Respectfully submitted,



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Exhibit A
RESERVED

Exhibit B

**Revised PECO Energy Company Default Service Program Request for
Proposals**

PECO Energy Company
Default Service Program
Request for Proposals

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ARTICLE I. INTRODUCTION

I.1. Overview

- I.1.1. Capitalized terms in this document, which are not defined explicitly herein, are defined in the PECO Energy Company - Pennsylvania Default Service Supplier Master Agreement (“Uniform SMA” or “SMA”). The Uniform SMA is attached as Appendix 1 to this document.
- I.1.2. As part of its sixth Default Service Plan (“DSP VI”), PECO Energy Company (“Company” or “PECO”) is proposing a competitive bidding process to obtain full requirements supply for the Company to meet a portion of its obligations as Default Service Provider pursuant to Chapter 28 of the Pennsylvania Public Utility Code, 66 Pa. C. S. §§ 2801-2812. This competitive bidding process is consistent with Chapter 28, with P.L. 1592 No. 129 (“Act 129”), with the Pennsylvania Public Utility Commission’s (“Commission” or “PaPUC”) Default Service regulations in its Final Rulemaking Order in Docket No. L-2009-2095604, and the Commission’s Final Policy Statement on Default Service in Docket No. M-2009-2140580.
- I.1.3. PECO currently provides electric generation service to all customers within its service territory who do not select an electric generation supplier (“EGS”). Such customers are “Default Service customers” or “DS Customers”. The competitive bidding process would procure supply for the period beginning June 1, 2025 when PECO’s fifth Default Service Plan (“DSP V”) expires.
- I.1.4. The competitive bidding process will be conducted through a series of Requests for Proposals (“RFPs”) issued twice yearly. The RFP consists of a total of fourteen (14) documents. This main document is called the “RFP Rules” and it describes generally how the RFP will be conducted. Prior to each solicitation, an “Addendum to the RFP Rules” will be issued and it will provide information relevant to that solicitation such as the schedule and products to be procured. The following documents are appended to, and shall be considered an integral part of, the RFP Rules:

Appendix 0: Addendum to the RFP Rules

Appendix 1: Uniform SMA

Appendix 2: Alternate Guaranty Process

Appendix 3: Illustrative Standard Part 1 Form

Appendix 4: Illustrative Short Part 1 Form

Appendix 5: Chief Financial Officer Attestation

Appendix 6: Officers’ Certificate (for RFP Bidders under an Agency Agreement)

Appendix 7: Illustrative Standard Part 2 Form

- Appendix 8: Illustrative Short Part 2 Form
- Appendix 9: Standard Pre-Bid Letter of Credit
- Appendix 10: Sample Bid Form
- Appendix 11: Tentative Schedule for Future Solicitations
- Appendix 12: Confidentiality Statement

I.1.5. DSP VI plans for the procurement of full requirements supply for three (3) “Classes” of Default Service customers: the Residential (“RES”) Class, the Small Commercial (“SC”) Class, and the Consolidated Large Commercial and Industrial (“CCI”) Class. Each such Class (or “DS Customer Group”) is a group of specific rate schedules as provided in the following table:

Table -. Customer Classes.

Class	Customers Included	Rate Schedule	Description
Residential	All residential customers	R	Residence Service
		RH	Residential Heating Service
Small Commercial	Non-residential customers with Peak Load Contribution up to and including 100kW and lighting customers	GS	General Service
		HT	High-Tension Power
		PD	Primary – Distribution Power
		AL	Alley Lighting in City of Philadelphia
		TLCL	Traffic Lighting Constant Load Service
		POL	Private Outdoor Lighting
		SL-C	Smart Lighting Control Lighting Customer Owned Facilities
		SL-E	Street Lighting Customer-Owned Facilities
Consolidated Large Commercial and Industrial	Non-residential customers with Peak Load Contribution greater than 100kW	GS	General Service
		HT	High-Tension Power
		PD	Primary –Distribution Power
		EP	Electric Propulsion

I.1.6. For the RES and SC Classes, the Company will solicit bids for the procurement of full requirements service on a fixed-price basis. For the CCI Class, the Company will solicit bids for the procurement of full requirements service with energy priced to the PJM day-ahead spot market. The Default Service supply (“Default Supply” or “DS Supply”) for a Class is the full requirements electricity supply based on the load of the retail customers in that Class measured and recorded by the Company and settled by PJM. The load of the Default Service customers in a Class is the “Default Load” or “DS Load” of that Class. A supplier selected through the competitive bidding process under DSP VI to provide Default

Supply for a particular Class and approved by the Commission becomes a “Default Supplier” or “DS Supplier” for that Class.

- I.1.7. A Default Service customer may choose to begin receiving service from an EGS on the customer’s meter reading date in accordance with the Company’s standard switching requirements as described in the Company’s Electric Generation Supplier Coordination Tariff including, without limitation, prior advance notice to the Company. A customer served by an EGS may return to Default Service on the customer’s meter reading date in accordance with the Company’s standard switching requirements as described in the Company’s Electric Generation Supplier Coordination Tariff including, without limitation, prior advance notice to the Company.
- I.1.8. There are eight (8) “solicitations” or “DS Solicitations” under DSP VI that will select electricity suppliers to provide Default Supply for the period June 1, 2025 through May 31, 2029 and for a portion of the Company’s requirements for the RES Class and SC Class for the period beyond June 1, 2029. Each solicitation will be identified by the month and year in which the Bid Date occurs. Solicitations will be held in March and September of each year, starting with a solicitation in March 2025 and ending with a solicitation in September 2028. A typical schedule for a solicitation is provided in Paragraph II.2.1. For each solicitation, the Addendum to the RFP Rules will be updated to include the dates for that solicitation and to refer to the particular products to be procured in that solicitation. The Independent Evaluator and the Company may advise the Commission to postpone or modify the schedule of a solicitation when market conditions are impacted by extraordinary events, such as the advent of war, terrorism, or an act of God.
- I.1.9. Standard rates of Default Service customers for a Class are determined on the basis of the prices determined through this RFP for that Class. As provided in the Commission’s directive dated October 12, 2010 (Docket No. M-2009-2082042), PECO provides a Default Service rate calculation model that translates the prices determined through this RFP into Default Service rates. This calculation model is posted to the PECO website:
<https://www.peco.com/MyAccount/MyService/Pages/ElectricPricetoCompare.aspx>
- I.1.10. Except for customers who participate in PECO’s Customer Assistance Program, default service customers in the Residential and Small Commercial Classes can elect a time of use (“TOU”) default

service rate. Under this option, a customer: 1) pays a higher rate for peak usage (2 PM through 6 PM each week day) compared to the standard default service rate; 2) receives a discount off the standard default service rate during super off-peak hours (12 AM to 6 AM each day); and 3) receives a smaller discount in all other hours.

- I.1.11. The rates for the Residential Class are also determined on the basis of the cost to PECO to acquire the necessary supply to serve 0.8% of the Default Load of the RES Class. PECO also receives an annual allocation of capacity and associated energy from the New York Power Authority and uses this allocation to offset the amount of supply needed for the RES Class. During DSP VI, the Company will hold a separate request for proposals (“Solar RFP”) process to solicit bids for the energy, capacity and solar photovoltaic alternative energy credits (“Solar AECs”) generated by one or more new Pennsylvania solar photovoltaic projects with total capacity of up to 25 MW (DC) through ten-year, fixed-price power purchase agreements (“Solar PPAs”). If the Solar RFP is successful, energy generated by the selected project(s) would be used to offset the spot purchases necessary to serve the 0.8% for the Residential Class class and the Solar AECs from the project would be used to meet Residential Class AEPS requirements. For supply related to the 0.8% portion that is not served through Solar PPAs, PECO acquires necessary supply through PJM administered markets including procuring necessary AECs at market prices to satisfy any near-term obligations under the AEPS Act.
- I.1.12. These RFP Rules may be updated to reflect additional decisions by the Commission, relevant changes in law, or non-material modifications to the processing of Proposals expected to improve potential participation by suppliers. Additionally, the Independent Evaluator and the Company may amend the RFP Rules if necessary to correct typographical errors, cure inconsistencies in the provisions of this RFP, or clarify the intent of the provisions of this RFP.

I.2. Products and Bids

- I.2.1. Default Load for each Class is divided into tranches. A tranche for a Class represents a fixed percentage of the Default Load for that Class. A Default Supplier serving a tranche in a particular Class provides full requirements service for the percentage of that Class’ Default Load represented by that one (1) tranche for a specified period.

- I.2.2. The total number of tranches of Default Load is based on that Class' annual Peak Load Contribution ("PLC") on the PECO system in accordance with PJM. The MW-Measure is calculated as the annual PLC for the Default Load of the Class divided by the total number of tranches. This figure is calculated for reference purposes only.
- I.2.3. Each Class has "Load Caps", which are limits on the number of tranches of Default Supply that an RFP Bidder can bid and serve for that Class. The Load Caps ensure that there will be a diversified pool of Default Suppliers for each Class. The Load Caps for the Residential and Small Commercial Classes are set so that the Default Service customers of that Class have no more than a 50% exposure to any one Default Supplier at any given time. The Load Cap for the Consolidated Large Commercial and Industrial Class is set so that the Default Service customers of that Class have no more than a 75% exposure to any one Default Supplier at any given time. If two or more Default Suppliers are affiliated, the Load Caps will apply jointly to such group of Default Suppliers.
- I.2.4. The total number of tranches, Load Caps, and the percentage size of each tranche to be procured under DSP VI are shown in the table below. The Total Peak (MW), Default Peak (MW), and MW-Measure of each tranche are updated for each solicitation and will be provided in the Addendum to the RFP Rules.

Table -. Number of Tranches and Size of a Tranche for Default Load.

Class	Total Tranches	Load Cap	% Size of a Tranche
RES	62	31	1.60%
SC	24	12	4.17%
CCI	8	6	12.50%

- I.2.5. The total number of tranches and the tranche size for the SC and CCI Classes are subject to change. The Independent Evaluator and PECO may revise the total number of tranches for a Class if doing so is expected to increase supplier interest. The Independent Evaluator informs Commission Staff of such a revision and announces the revision to suppliers in advance of suppliers presenting their qualifications.
- I.2.6. The actual Default Load for the RES, SC, or CCI Class will depend upon many factors including, but not limited to, customer migration to EGSs and weather conditions. The maximum peak load of a

Class may be higher or lower than the PLC utilized to determine the MW-Measure of tranches for that

Class. Each participant is responsible for evaluating the uncertainties associated with Default Service Load for a particular Class and supply period.

I.2.7. A product for purposes of this RFP is defined by three characteristics: a) the Class to which it contributes Default Supply; b) the length of the supply period; and c) the date at which the supply period begins. For example, the RES-12-Jun26 product represents Default Supply for the RES Class for the supply period from June 1, 2026 through May 31, 2027. A product name may be abbreviated when the context is clear; for example, RES-12 refers to all products for the Residential Class that are twelve (12) months in duration, regardless of the start date of the supply period.

I.2.8. A Proposal is a response to this RFP for a solicitation pursuant to these RFP Rules. An entity that submits any part of a response to this RFP for a solicitation is an “RFP Bidder”. A Bid for a tranche for any product is a price in dollars per MWh rounded to the nearest cent. An RFP Bidder may submit different Bids for different tranches of a given product.

I.2.9. The table below provides the products that will be procured for each solicitation under DSP VI.

Table -. Schedule of Procurement for Products.

Product	Solicitation							
	March 2025	September 2025	March 2026	September 2026	March 2027	September 2027	March 2028	September 2028
RES-12-Jun25	12	0	0	0	0	0	0	0
RES-24-Jun25	11	0	0	0	0	0	0	0
RES-12-Dec25	0	12	0	0	0	0	0	0
RES-24-Dec25	0	9	0	0	0	0	0	0
RES-12-Jun26	0	0	12	0	0	0	0	0
RES-24-Jun26	0	0	9	0	0	0	0	0
RES-12-Dec26	0	0	0	12	0	0	0	0
RES-24-Dec26	0	0	0	9	0	0	0	0
RES-12-Jun27	0	0	0	0	12	0	0	0
RES-24-Jun27	0	0	0	0	11	0	0	0
RES-12-Dec27	0	0	0	0	0	12	0	0

Product	Solicitation							
	March 2025	September 2025	March 2026	September 2026	March 2027	September 2027	March 2028	September 2028
RES-24-Dec27	0	0	0	0	0	9	0	0
RES-12-Jun28	0	0	0	0	0	0	12	0
RES-24-Jun28	0	0	0	0	0	0	9	0
RES-12-Dec28	0	0	0	0	0	0	0	12
RES-24-Dec28	0	0	0	0	0	0	0	9
SC-12-Jun25	6	0	0	0	0	0	0	0
SC-24-Jun25	3	0	0	0	0	0	0	0
SC-12-Dec25	0	6	0	0	0	0	0	0
SC-24-Dec25	0	3	0	0	0	0	0	0
SC-12-Jun26	0	0	6	0	0	0	0	0
SC-24-Jun26	0	0	3	0	0	0	0	0
SC-12-Dec26	0	0	0	6	0	0	0	0
SC-24-Dec26	0	0	0	3	0	0	0	0
SC-12-Jun27	0	0	0	0	6	0	0	0
SC-24-Jun27	0	0	0	0	3	0	0	0
SC-12-Dec27	0	0	0	0	0	6	0	0
SC-24-Dec27	0	0	0	0	0	3	0	0
SC-12-Jun28	0	0	0	0	0	0	6	0
SC-24-Jun28	0	0	0	0	0	0	3	0
SC-12-Dec28	0	0	0	0	0	0	0	6
SC-24-Dec28	0	0	0	0	0	0	0	3
CCI-12-Jun25	8	0	0	0	0	0	0	0
CCI-12-Jun26	0	0	8	0	0	0	0	0
CCI-12-Jun27	0	0	0	0	8	0	0	0
CCI-12-Jun28	0	0	0	0	0	0	8	0

I.2.10. The Load Caps apply to all products that contribute to Default Supply for a Class at a given point in time. The table below provides the products procured under DSP V and products to be procured under DSP VI that contribute to Default Supply for that Class during that time period and that should be considered in determining whether Load Caps apply to a particular Default Supplier. The products procured under DSP V are italicized. For example, at any given point in time in the period from June 1, 2026 to November 30, 2026, the Default Supply for the RES Class includes the following products: RES-24-Dec24 and RES-24-Jun25 and RES-12-Dec25 and RES-24-Dec25 and RES-12-Jun26 and RES-24-Jun26.

Table -. Load Caps.

Class	Time Period	Products that contribute to Default Supply during time period	
		From DSP V	From DSP VI
RES	Jun-Nov25	<i>RES-24-Dec23</i> <i>RES-24-Jun24</i> <i>RES-12-Dec24</i> <i>RES-24-Dec24</i>	RES-12-Jun25 RES-24-Jun25
	Dec25-May26	<i>RES-24-Jun24</i> <i>RES-24-Dec24</i>	RES-12-Jun25 RES-24-Jun25 RES-12-Dec25 RES-24-Dec25
	Jun-Nov26	<i>RES-24-Dec24</i>	RES-24-Jun25 RES-12-Dec25 RES-24-Dec25 RES-12-Jun26 RES-24-Jun26
	Dec26-May27		RES-24-Jun25 RES-24-Dec25 RES-12-Jun26 RES-24-Jun26 RES-12-Dec26 RES-24-Dec26
	Jun-Nov27		RES-24-Dec25 RES-24-Jun26 RES-12-Dec26 RES-24-Dec26 RES-12-Jun27 RES-24-Jun27
	Dec27-May28		RES-24-Jun26 RES-24-Dec26 RES-12-Jun27 RES-24-Jun27 RES-12-Dec27 RES-24-Dec27

Class	Time Period	Products that contribute to Default Supply during time period	
		From DSP V	From DSP VI
	Jun-Nov28		RES-24-Dec26 RES-24-Jun27 RES-12-Dec27 RES-24-Dec27 RES-12-Jun28 RES-24-Jun28
	Dec28-May29		RES-24-Jun27 RES-24-Dec27 RES-12-Jun28 RES-24-Jun28 RES-12-Dec28 RES-24-Dec28
SC	Jun-Nov25	SC-24-Dec23 SC-24-Jun24 SC-12-Dec24 SC-24-Dec24	SC-12-Jun25 SC-24-Jun25
	Dec25-May26	SC-24-Jun24 SC-24-Dec24	SC-12-Jun25 SC-24-Jun25 SC-12-Dec25 SC-24-Dec25
	Jun-Nov26	SC-24-Dec24	SC-24-Jun25 SC-12-Dec25 SC-24-Dec25 SC-12-Jun26 SC-24-Jun26
	Dec26-May27		SC-24-Jun25 SC-24-Dec25 SC-12-Jun26 SC-24-Jun26 SC-12-Dec26 SC-24-Dec26
	Jun-Nov27		SC-24-Dec25 SC-24-Jun26 SC-12-Dec26 SC-24-Dec26 SC-12-Jun27 SC-24-Jun27
	Dec27-May28		SC-24-Jun26 SC-24-Dec26 SC-12-Jun27 SC-24-Jun27 SC-12-Dec27 SC-24-Dec27
	Jun-Nov28		SC-24-Dec26 SC-24-Jun27 SC-12-Dec27 SC-24-Dec27 SC-12-Jun28 SC-24-Jun28

Class	Time Period	Products that contribute to Default Supply during time period	
		From DSP V	From DSP VI
	Dec28-May29		SC-24-Jun27 SC-24-Dec27 SC-12-Jun28 SC-24-Jun28 SC-12-Dec28 SC-24-Dec28
CCI	Any		CCI-12

- I.2.11. The Addendum to the RFP Rules for each solicitation will contain a table with the available tranches and Load Caps for that solicitation specifically as well as an explanation of the Load Caps for that solicitation.
- I.2.12. A supplier participating in this RFP bids to provide Default Supply for one or more of the RES, SC, and CCI Classes, and for one or more supply periods. The obligations of the Default Supplier are described in the “Uniform SMA”. The term Uniform SMA is an abbreviation for PECO Energy Company Pennsylvania Default Service Supplier Master Agreement, which may also be abbreviated by “SMA”, “DS Supplier Master Agreement” or “Supplier Master Agreement”. The main provisions of the Uniform SMA are summarized in Section I.4.
- I.2.13. The contingency plan in the event that PECO is unable to obtain Default Supply for all tranches of a product in a solicitation is as follows. If the product is more than six (6) months in duration, PECO will assume responsibility for the unfilled tranches as a PJM LSE for the first six (6) months of the supply period, acquiring the necessary supply through PJM-administered markets and obtaining sufficient AECs at market prices to satisfy any near-term obligations under the AEPS Act. The unfilled tranches, with a supply period that starts six (6) months later than the supply period of the tranches that were unfilled, will be placed for re-bid in the next solicitation. For products that are six (6) months or shorter, PECO will assume responsibility for the unfilled tranches as an LSE and will acquire the necessary supply through PJM-administered markets for the entire supply period. PECO reserves the right to file an alternate plan with the Commission.

- I.2.14. Any prospective supplier that meets the qualification standards established in these RFP Rules and that is willing to provide prices at which to serve tranches of Default Service Load can respond to this RFP, including any PECO affiliates.

I.3. Process

- I.3.1. To qualify for a typical solicitation, suppliers provide materials to respond to the qualification standards described in Article IV. RFP Bidders that did not qualify in a previous solicitation under DSP VI use the Standard Part 1 Form available online through the Proposal submission website to respond to these qualification standards. Previously qualified RFP Bidders under DSP VI may participate in an abbreviated qualification process by using the Short Part 1 Form available online through the Proposal submission website to respond to these qualification standards. An Illustrative Standard Part 1 Form and an Illustrative Short Part 1 Form are available as Appendix 3 and Appendix 4 respectively to these RFP Rules and are also available electronically on the RFP website: www.PECOProcurement.com. The generic term “Part 1 Form” refers either to the Standard Part 1 Form or the Short Part 1 Form. Part 1 Proposals are submitted during the “Part 1 Window”.
- I.3.2. Prior to a typical solicitation, a supplier unable to use the Guaranty provided as Appendix G to the Uniform SMA (the “Standard Guaranty”) can request consideration by PECO of an alternate form of guaranty that the supplier uses in its normal course of business. Such request must be received no later than fifteen (15) business days prior to the opening of the Part 1 Window. Within three (3) business days of receipt of such a request, the Independent Evaluator will issue a timetable for receipt of the materials from the supplier and for consideration of these materials by PECO. This timetable will be such that a final decision on whether to accept the supplier’s alternate form of guaranty will be communicated to the supplier prior to the Part 1 Window.
- I.3.3. To become eligible to bid for a solicitation, RFP Bidders that have met the qualification standards of Article IV must respond to the Part 2 Proposal requirements described in Article V of these RFP Rules. RFP Bidders use the Part 2 Form available online through the Proposal submission website to respond to these requirements. RFP Bidders that became eligible to submit Bids in a previous solicitation held under DSP VI may participate in an abbreviated process by using the Short Part 2

Form available online through the Proposal submission website to respond to these requirements.

The generic term “Part 2 Form” refers either to the Standard Part 2 Form or the Short Part 2 Form.

Part 2 Proposals are submitted during the “Part 2 Window”.

- I.3.4. RFP Bidders use the Bid Form provided by the Independent Evaluator to submit their Bids. A sample Bid Form is provided for illustrative purposes as Appendix 10 of these RFP Rules. Each RFP Bidder’s Bids must be received between 10 AM and 12 PM (noon) on the “Bid Date” or “Bid Proposal Due Date”.
- I.3.5. On the first business day after the Bid Date, the Independent Evaluator presents to the Commission the results of the solicitation in a confidential report. The Commission has one (1) business day to consider the report of the Independent Evaluator and to approve or reject each of the lowest-priced Bids. If the PaPUC does not act within one (1) business day, the lowest-priced Bids are deemed to be approved.
- I.3.6. PECO and each RFP Bidder with Bids that are approved by the Commission proceed to the execution of the Uniform SMA and the Transaction Confirmations within three (3) business days of the Bid Date. PECO and each such RFP Bidder execute a single Uniform SMA during the course of DSP VI. Each solicitation, PECO and each such RFP Bidder execute a Transaction Confirmation for each product for which such RFP Bidder has Bids that are approved by the Commission. Appendix E to the Uniform SMA specifies the AEPS percentage obligations in effect on the Bid Date for the period covered by each Transaction Confirmation.
- I.3.7. Within fifteen (15) days of the Bid Date, the Independent Evaluator releases the weighted average price for each product procured as well as the percentage of load represented by each tranche.

I.4. Supplier’s Obligations

- I.4.1. A supplier selected through this RFP to provide Default Supply for a particular Class and approved by the Commission becomes a “Default Supplier” for that Class. A Default Supplier may be providing Default Supply for one or more of the RES, SC, and CCI Classes.
- I.4.2. This section describes in general terms several provisions of the Uniform SMA. This is a summary only and is subject to and qualified in its entirety by the Uniform SMA provided as Appendix 1 to the

RFP Rules. Each RFP Bidder accepts the obligations and associated rights to provide Default Supply as defined in the Uniform SMA as part of its Proposal.

- I.4.3. Default Suppliers for a Class will serve the Company's Default Load for that Class. Default Service for one of these Classes is the Company's full requirements service including, without limitation, energy, capacity, transmission (excluding Network Integration Transmission Service), ancillary services, AECs for compliance with the AEPS Act, transmission and distribution losses, congestion management costs, and such other services or products that are required to serve the specified percentage of Default Load for that Class (except for distribution service). Default Load for the RES Class is reduced by a fractional percentage of committed energy and capacity obtained under contract with Allegheny Electric Cooperative, Inc. for supply from the New York Power Authority.
- I.4.4. Default Suppliers are also responsible for providing AECs during the term of the Uniform SMA necessary for PECO to meet its obligations under the AEPS Act, as well as other Orders, regulations and rules that may be promulgated by the PaPUC with respect to the AEPS. Default Suppliers will be required to participate in the PJM Generation Attribute Tracking System ("PJM-EIS GATS") to transfer AECs to PECO. The Company will provide an estimate of the Default Supplier's AEPS obligation following the second quarter of the AEPS Reporting Period and the Default Supplier will be required to transfer AECs to PECO in the amount of the estimate within forty-five (45) calendar days of the date of that estimate. The Company will provide a final statement to the Default Supplier within thirty (30) calendar days of the end of AEPS Reporting Period and the Default Supplier will be required to transfer AECs in the amount of the final statement within forty-five (45) calendar days after the date of the final statement.
- I.4.5. A Default Supplier that fails to provide sufficient AECs for a tranche will be required to pay any AEPS penalties, costs, charges, etc. assessed against the Default Supplier and/or the Company associated with the Default Supplier's non-performance with AEPS requirements.
- I.4.6. PECO has obtained AECs from separate AEPS procurement(s) approved by the Commission and PECO will reduce the amount of AECs that Default Suppliers must provide. Prior to each solicitation, PECO will inform RFP Bidders of the amounts of AECs allocated for this purpose for each tranche of each product for which Default Supply is procured in that solicitation.

- I.4.7. A Default Supplier for a product will be paid a supplier-specific price for each MWh of electric load served as specified in the Transaction Confirmation for that product. The supplier-specific price for a Default Supplier for a product will be the average of approved Bids for that Default Supplier and for that product. The PJM day-ahead price for energy and the Reliability Pricing Model (“RPM”) price for capacity are also paid to a Default Supplier providing full requirements service on a spot-price basis.
- I.4.8. The Default Supplier will specify in the Transaction Confirmation the price of each type of AECs included in its supplier-specific price.
- I.4.9. PECO will transfer or assign Auction Revenue Rights (“ARRs”) to each Default Supplier in proportion to the percentage of Default Load that it serves. A Default Supplier will participate in the PJM process for the nominations of ARRs to the extent that the supply period under the Transaction Confirmation is inclusive of the PJM Planning Period for which the ARRs are nominated; otherwise, PECO will participate in the PJM ARR nomination process. Specifically, for any product with a supply period that starts in June, PECO will participate in the PJM ARR nomination process and will transfer or assign ARRs to each Default Supplier for the first June-May period, and for a 24-month product the Default Supplier will participate directly in the PJM ARR nomination process for the second June-May period. For any product with a supply period that starts in December, PECO will transfer or assign ARRs to each Default Supplier for the first 6-months of the supply period, and the Default Supplier will participate in each applicable PJM ARR nomination process directly for the remainder of the supply period beginning with the first PJM Planning Period applicable to the first June-May period.
- I.4.10. If the results for the Base Residual Auction (“BRA”) under PJM’s RPM for a delivery year (June-May) relevant to a product in a solicitation are not announced by PJM at least five (5) business days prior to the Bid Date, a capacity proxy price (“CPP”) is established for the delivery year for which the capacity price was not announced. The CPP would be calculated as the average of the most recent results under PJM’s RPM from the two most recent delivery years for which PJM has held a capacity auction. For the avoidance of doubt, the results of the most recent Incremental Auction held under PJM’s RPM would be used if an Incremental Auction has been held for a delivery year. If a CPP is established for a product in a solicitation, a true-up mechanism, described in the Capacity

Supplement in Exhibit 1 to Appendix C of the Uniform SMA, will apply to the Transaction Confirmation for the product.

ARTICLE II. Information and Schedule

II.1. RFP Website

II.1.1. PECO and its Independent Evaluator have established an RFP website that is the main source of information. RFP Bidders and other stakeholders can visit this RFP website to obtain information and documents related to this RFP. The RFP website address is www.PECOProcurement.com.

II.1.2. The RFP website contains the sections described below. New sections may be added as necessary to assist RFP Bidders.

Home: This section provides announcements of interest to RFP Bidders and to other interested parties, an outline of the RFP process, a search function, and a summary of important dates.

Background: These sections provide background information on the regulatory process, the results of previous solicitations and archives of documents. FAQs and announcements from previous solicitations are provided for reference purposes only.

Supplier Information: This section provides documents regarding the RFP as well as frequently asked questions (“FAQs”), RFP-related announcements, and NITS rate information. All stakeholders, including RFP Bidders, are able to ask questions via a web form. The Independent Evaluator provides an answer to the question via email to the questioner, and a copy of the question and answer is posted so that all stakeholders and RFP Bidders have access to the same information. Aspects of the question and/or answer that might identify the party asking the question are removed before posting to the extent practical.

Data Room: This section provides historical data to assist prospective suppliers. Links to the PJM website and related documents can also be found in this section.

Calendar: This section provides the timeline for the main events in the current and upcoming solicitations.

Contact Us: This section gives any stakeholder an opportunity to register its email address to receive updates and announcements regarding this RFP. The section also provides the contact information for the Independent Evaluator, an electronic web form to submit questions to the Independent Evaluator, and a web form for prospective suppliers to register for bidder information sessions.

II.2. RFP Schedule

II.2.1. Each solicitation will follow the order of events in the general schedule provided below.

Table -. General Schedule.

Event	Timing
Deadline to request consideration of an alternate form of guaranty	Day -15
Bidder Information Webcast	Day -7
Decision on alternate guaranty forms (if any)	Day -2
Part 1 Window Opens	Day 0
Part 1 Date (Part 1 Window Closes)	Day 4
Part 1 Notification Date	Day 6
Approved modifications to Standard Guaranty posted	Day 7
Part 2 Proposal Window Opens	Day 7
Bid Submission training	Day 10
Part 2 Date (Part 2 Window Closes)	Day 11
Part 2 Notification Date	Day 13
Bid Date (Bids are Due)	Day 14
IE provides its report to the PaPUC	Day 15
PaPUC Decision (close of business)	No later than Day 16
<i>If Bids are approved by the PaPUC:</i>	
PECO and each winning RFP Bidder proceed to execution of the Uniform SMA and each Transaction Confirmation	Within three business days of the Bid Date

II.2.2. A total of eight (8) solicitations are planned under DSP VI. The Bid Dates for each of the solicitations are provided below.

Table -. Bid Dates.

Solicitation	Bid Dates
March 2025	Tuesday, March 11, 2025
September 2025	Tuesday, September 23, 2025
March 2026	Tuesday, March 10, 2026
September 2026	Tuesday, September 29, 2026
March 2027	Tuesday, March 9, 2027
September 2027	Tuesday, September 28, 2027
March 2028	Tuesday, March 14, 2028
September 2028	Tuesday, September 26, 2028

II.2.3. The date for each event in each future solicitation is provided in the Tentative Schedule for Future Solicitations attached as Appendix 11 to these RFP Rules. The dates for each event in the current solicitation is provided in the Addendum to the RFP Rules. The dates follow the order of events and the number of days between events in the general schedule above except as needed to accommodate

holidays. The schedule for a solicitation may be amended if circumstances warrant. Any such amendments will be posted to the RFP website.

- II.2.4. Specific times for submission of materials for the Part 1 Proposals, the Part 2 Proposals, and the Bids are provided elsewhere in this RFP. All such times are Eastern Prevailing Time (“EPT”) unless specifically noted.

ARTICLE III. General Requirements for Proposals

- III.1.1. An entity that submits any part of a response to this RFP for a solicitation is an “RFP Bidder”. An RFP Bidder can submit at most one Part 1 Proposal and one Part 2 Proposal for each solicitation. An RFP Bidder that qualifies for a solicitation by submitting a Part 1 Proposal that fulfills all requirements described in Article IV and that submits a Part 2 Proposal that fulfills all the requirements described in Article V is eligible to submit Bids in that solicitation. Aside from submission of financial guarantees to support its Bids, all materials for the Part 1 Proposals and all Part 2 Proposals are submitted to the Independent Evaluator online through the online Proposal submission website or by email at pecoprocurement@nera.com in accordance with the instructions provided in Article VII.
- III.1.2. The submission of a Part 1 Proposal or a Part 2 Proposal to the Independent Evaluator constitutes the RFP Bidder’s acknowledgement and acceptance of all the terms and conditions of this RFP, regardless of the outcome of the solicitation or the outcome of such Proposal.
- III.1.3. Each solicitation will have a Part 1 Window during which Part 1 Proposals may be submitted. The last day of the Part 1 Window is the “Part 1 Date”. The requirements of the Part 1 Proposal are described in Article IV. “Previously qualified RFP Bidder” means an RFP Bidder that met the qualification standards in a previous solicitation under DSP VI by submitting a Part 1 Proposal that fulfilled all the requirements of Article IV. A previously qualified RFP Bidder may participate in an abbreviated Part 1 Proposal process. A supplier selected through the competitive bidding process under DSP VI to provide Default Supply for a particular Class and approved by the Commission becomes a Default Supplier for that Class.
- III.1.4. The exclusive method for an RFP Bidder to complete the Part 1 Proposal is to submit the online Part 1 Form as well as provide Inserts to the Part 1 Form available as separate Word Forms on the Proposal submission website or from the Independent Evaluator. Documents (supporting documents, draft Letter of Credit, and draft Standard Guaranty) may be uploaded to the Proposal submission website or sent to the Independent Evaluator by email at PECOProcurement@nera.com. An Insert to the Part 1 Form that does not require a signature may be uploaded to the Proposal submission website or sent to the Independent Evaluator by email at PECOProcurement@nera.com.

An Insert to the Part 1 Form that requires a signature will contain instructions describing the acceptable methods of completion and submission for that Insert and an RFP Bidder must follow such instructions.

- III.1.5. Each RFP Bidder must comply with all Part 1 Proposal requirements described in Article IV. Section IV.1 describes the contact information and representations required. Section IV.2 describes financial requirements including requirements that apply to RFP Bidders relying on the financial standing of an RFP Guarantor and additional requirements applicable only to RFP Bidders submitting a Proposal under an Agency Agreement. Section IV.3 describes the process by which RFP Bidders may propose modifications to the credit instruments (the Standard Pre-Bid Letter of Credit, the Standard Post-Bid Letter of Credit, and the Standard Guaranty) and describes the information that an RFP Bidder is asked to provide for the Independent Evaluator to prepare the Uniform SMA documents should the Independent Evaluator identify one or more of the RFP Bidder's Bids to the Commission as lowest-priced Bids. Section IV.4 describes the representations required. Section IV.5 lists additional requirements applicable only to RFP Bidders that have not been incorporated or otherwise formed under the laws of a state of the United States or of the District of Columbia ("Foreign RFP Bidders"), or to RFP Bidders that rely on the financial standing of an entity that has not been incorporated or otherwise formed under the laws of a state of the United States or of the District of Columbia ("Foreign Entity"). Each of the Sections of Article IV explains the abbreviated Part 1 Proposal process in which previously qualified RFP Bidders may participate.
- III.1.6. The Independent Evaluator informs each RFP Bidder of whether it has met all qualification standards of Article IV through a Part 1 Notification that the Independent Evaluator sends to the RFP Bidder by the Part 1 Notification Date. The Independent Evaluator transmits within two (2) business days of the Part 1 Notification Date to each RFP Bidder that has a successful Part 1 Proposal a number of documents and instructions, called the "Part 1 Materials".
- III.1.7. All information provided and certifications made in the Part 1 Proposal must remain valid and remain in full force and effect until six (6) business days after the Bid Date. Regardless of the reason, if any information provided in the Part 1 Proposal changes or any previous certification fails to remain valid, it is the sole responsibility of the RFP Bidder to notify the Independent Evaluator as soon as

practicable. Failing to do so may result in disqualification of the RFP Bidder and of its Proposal. The Independent Evaluator reserves the right to change the assessment of an RFP Bidder's qualifications based on any revised information provided by the RFP Bidder.

- III.1.8. Each solicitation will have a Part 2 Window during which Part 2 Proposals may be submitted. The last day of the Part 2 Window is the "Part 2 Date". RFP Bidders also have the option to submit the representations and certifications required by the online Part 2 Form during the Part 1 Window for early processing. The requirements of the Part 2 Proposal are described in Article V. "Previously eligible RFP Bidder" means an RFP Bidder that became eligible to submit Bids in a previous solicitation held under DSP VI by submitting a Part 1 Proposal that fulfilled all the requirements of Article IV and a Part 2 Proposal that fulfilled all the requirements of Article V. A previously eligible RFP Bidder may participate in an abbreviated Part 2 Proposal process.
- III.1.9. The exclusive method for an RFP Bidder to complete the Part 2 Proposal is to submit the online Part 2 Form as well as provide an executed Pre-Bid Letter of Credit. The Pre-Bid Letter of Credit must be submitted as an electronic PDF file via electronic means only to the Independent Evaluator at pecoprocurement@nera.com. An Insert to the Part 2 Form that does not require a signature may be uploaded to the Proposal submission website or sent to the Independent Evaluator by email at PECOProcurement@nera.com. An Insert to the Part 2 Form that requires a signature will contain instructions describing the acceptable methods of completion and submission for that Insert and an RFP Bidder must follow such instructions. Any other documents, excluding Inserts and the Pre-Bid Letter of Credit, required by the Part 2 Proposal may be uploaded to the Proposal submission website or sent to the Independent Evaluator by email at PECOProcurement@nera.com.
- III.1.10. Each RFP Bidder must comply with all Part 2 Proposal requirements described in Article V. Section V.1 describes the contact information and representations required by the Part 2 Proposal. Section V.2 describes the Pre-Bid Letter of Credit required to support the RFP Bidder's Bids. Section V.3 lists additional requirements for RFP Bidders relying on the financial standing of an RFP Guarantor. Section V.4 lists additional requirements applicable only to RFP Bidders submitting a Proposal under an Agency Agreement. Section V.5 lists additional requirements applicable only to Foreign RFP Bidders or to RFP Bidders that rely on the financial standing of a Foreign Entity. Each of the Sections

of Article V explains the abbreviated Part 2 Proposal process in which previously eligible RFP Bidders

may participate.

- III.1.11. The Independent Evaluator informs each RFP Bidder of whether it has met all qualification standards of Article IV and all requirements of Article V so that it is eligible to submit Bids through a Part 2 Notification. The Independent Evaluator sends the Part 2 Notification to the RFP Bidder by the Part 2 Notification Date.
- III.1.12. All information provided and certifications made in the Part 2 Proposal must remain valid and remain in full force and effect until six (6) business days after the Bid Date. Regardless of the reason, if any information provided in the Part 2 Proposal changes or any previous certification fails to remain valid, it is the sole responsibility of the RFP Bidder to notify the Independent Evaluator as soon as practicable. Failing to do so may result in disqualification of the RFP Bidder and of its Proposal. The Independent Evaluator reserves the right to change the assessment of an RFP Bidder's eligibility to submit Bids based on any revised information provided by the RFP Bidder.
- III.1.13. For a given solicitation, all representations and certifications required by this RFP must be made by a single individual who serves as Officer of the RFP Bidder. An Officer of the RFP Bidder is an individual authorized to undertake contracts (including the Uniform SMA) and bind that RFP Bidder. As a requirement of the Part 1 Proposal, the RFP Bidder must name an individual who serves as Officer of the RFP Bidder and must provide full contact information for this individual. The Officer of the RFP Bidder may sign all representations and certifications of the Part 1 Form and Part 2 Form at one time and RFP Bidders have the option to submit certifications required by the online Part 2 Form during the Part 1 Window for early processing.
- III.1.14. The Officer of the RFP Bidder named in the Part 1 Proposal will sign, or will nominate another authorized individual to execute the Uniform SMA as well as any Transaction Confirmations if any of the RFP Bidder's Bids are approved by the Commission.
- III.1.15. Each RFP Bidder must comply with the instructions for the submission of Bids provided with its Part 1 Notification. Article VI describes in general terms the requirements for the submission of Bids.
- III.1.16. Proposals that do not adhere to the terms and conditions of this RFP, or that do not fulfill all requirements of Article IV, Article V, and Article VI of this RFP, or that are not submitted in accordance

with the process of Article VII or in accordance with the instructions provided by the Independent Evaluator in an addendum to these RFP Rules, will not be considered.

- III.1.17. The Independent Evaluator will send to each RFP Bidder that submitted a successful Part 1 Proposal in a previous solicitation under DSP VI an email confirming its status as a previously qualified RFP Bidder. Such RFP Bidder may participate in an abbreviated Part 1 Proposal process. The Independent Evaluator will send to each RFP Bidder that submitted a successful Part 1 Proposal and a successful Part 2 Proposal in a previous solicitation under DSP VI an email confirming its status as a previously eligible RFP Bidder. Such RFP Bidder may participate in an abbreviated Part 1 Proposal process and an abbreviated Part 2 Proposal process.
- III.1.18. The RFP Bidder, at its own cost and expense, shall defend PECO, and the Independent Evaluator and their subsidiaries, affiliates, successors and assigns, and each and every one of their respective past, present, or future officers, directors, trustees, employees, shareholders, executors, administrators, successors and assigns, other than entities that are also RFP Bidders, against any and all manner of past, present, or future claims, demands, disputes, controversies, complaints, suits, actions, proceedings, or allegations of any kind which in any manner relate to, arise out of, or result from any false statement in the Proposal or breach of any covenant by the RFP Bidder set forth herein. The RFP Bidder shall indemnify and hold harmless PECO, the Independent Evaluator, their parent companies, subsidiaries, affiliates, successors and assigns, and each and every one of their respective past, present, or future officers, directors, trustees, employees, shareholders and agents, as well as the heirs, executors, administrators, successors and assigns, other than entities that are RFP Bidders, against any and all liens, judgments, liabilities, losses, injuries, damages, fees, fines, penalties, costs or expenses which in any manner relate to, arise out of, or result from any false statement or misrepresentation in the Proposal or breach of any warranty by the RFP Bidder as set forth herein.

ARTICLE IV. Part 1 Proposal Requirements

Previously qualified RFP Bidders under DSP VI may participate in an abbreviated qualification process by using the Short Part 1 Form available online through the Proposal submission website to respond to these qualification standards.

IV.1. Contact Information and Representations

IV.1.1. Contact Information for the RFP Bidder. Each RFP Bidder must provide the RFP Bidder's legal name and address.

- Whether or not the RFP Bidder has previously qualified, an RFP Bidder is required to submit contact information in its Part 1 Proposal.
- If a previously qualified RFP Bidder updates the RFP Bidder's legal name since the RFP Bidder last submitted a successful Part 1 Proposal, the RFP Bidder must provide evidence of the change of name. If there was a change in the corporate structure of the RFP Bidder, through a merger for example, the RFP Bidder may not participate in the abbreviated Part 1 Proposal or Part 2 Proposal process.

IV.1.2. Officer of the RFP Bidder. The Officer of the RFP Bidder must be an officer, a director, or an individual otherwise authorized to undertake contracts (including the Uniform SMA) and bind the RFP Bidder. The Officer of the RFP Bidder whose contact information is provided in the Part 1 Proposal must make all representations required by the online Part 1 Form. Should the RFP Bidder submit a Part 2 Proposal, the individual named as Officer of the RFP Bidder in the Part 1 Proposal must make the representations required by the online Part 2 Form. The Officer of the RFP Bidder may sign all representations and certifications of the online Part 1 Form and online Part 2 Form at one time and RFP Bidders have the option to submit the certifications required by the online Part 2 Form during the Part 1 Window for early processing.

- Whether or not the RFP Bidder has previously qualified, an RFP Bidder must provide the name, title, and full contact information (address, phone number, email address) of the individual who will serve as the Officer of the RFP Bidder.

IV.1.3. Representative of the RFP Bidder. The Independent Evaluator uses the Representative as the main point of contact for the RFP Bidder. The Independent Evaluator contacts the Representative if the Independent Evaluator requires additional information regarding the RFP Bidder's Proposal. The Independent Evaluator sends correspondence related to the solicitation to the Representative, including confidential information required to submit Bids on the Bid Date.

- Whether or not the RFP Bidder has previously qualified, an RFP Bidder must designate an individual to serve as Representative of the RFP Bidder by completing the Representative Insert prepared for this purpose and available on the Proposal submission website. The RFP Bidder must provide the name, title, and full contact information (address, phone number, email address) of the individual named by the Officer of the RFP Bidder who will serve as Representative of the RFP Bidder.

IV.1.4. Nominees. The Independent Evaluator provides notifications to the RFP Bidder by email and provides documents needed for participation by secure file transfer. Whether or not an RFP Bidder has previously qualified, the RFP Bidder may designate up to three (3) authorized individuals to receive communications from the Independent Evaluator in addition to the Representative of the RFP Bidder. Each such authorized individual is a Nominee. Either the Representative of the RFP Bidder or the Officer of the RFP Bidder may complete the Nominee Insert prepared for this purpose. The Nominee Insert requires that the following be provided for each authorized individual who will serve as Nominee: the individual's name and title, phone number, and email address. The Representative of the RFP Bidder or the Officer of the RFP Bidder may designate such other authorized individuals at any time during the solicitation using the Nominee Insert. The RFP Bidder is not required to do so in the Part 1 Proposal provided, however, that the total number of Nominees not exceed three (3) individuals at any one time.

IV.1.5. All information required by this Section IV.1 must be provided exclusively by completing Section 1 of the online Part 1 Form and the Inserts prepared for this purpose, as further explained in Article VII. Inserts and documents must be submitted by upload to the online Part 1 Form or by email to the Independent Evaluator at PECOProcurement@nera.com. An Insert that requires a signature will

contain instructions describing the acceptable methods of completion and submission for that Insert and an RFP Bidder must follow such instructions.

IV.2. Financial Requirements and Agency Agreements

IV.2.1. Agency Agreement. The RFP Bidder must state whether it is submitting a Proposal under an agency authorization (“Agency Agreement”). If an RFP Bidder is submitting a Proposal under an Agency Agreement, the RFP Bidder must identify a Principal as the entity on whose financial standing the RFP Bidder relies, as further explained in the next paragraph.

IV.2.2. Election of Entity on Whose Financial Standing the RFP Bidder is relying. For purposes of submitting to the requirements of this section, each RFP Bidder elects: (a) to rely on its own financial standing; or: (b) to rely on the financial standing of an “RFP Guarantor”; or: (c) to rely on the financial standing of a Principal. An RFP Bidder submitting a Proposal under an Agency Agreement must select option (c) and option (c) may only be selected by an RFP Bidder submitting a Proposal under an Agency Agreement.

- An RFP Bidder that has not previously qualified must clearly select one of these options. For a previously qualified RFP Bidder, the option will be selected based on the last submitted successful Part 1 Proposal.
- For a previously qualified RFP Bidder, the entity on whose financial standing the RFP Bidder last relied must be the same entity identified in the current solicitation in order to participate in the abbreviated Part 1 Proposal process. If such RFP Bidder changes the identity of the entity on whose financial standing the RFP Bidder relies, the RFP Bidder must use the Standard Part 1 Form and submit all information required for the Part 1 Proposal as if the RFP Bidder had not previously qualified.
- If the RFP Bidder updates the entity’s legal name since the RFP Bidder last submitted a successful Part 1 Proposal, the RFP Bidder must provide evidence of the change of name. If there was a change in the corporate structure of the entity, through a merger for example, the RFP Bidder must use the Standard Part 1 Form to present its Part 1 Proposal.

IV.2.3. Information Required from RFP Bidders Relying on Their Own Financial Standing. The requirements of this paragraph only apply to an RFP Bidder that selects option (a) in response to Paragraph IV.2.2.

- Whether or not the RFP Bidder has previously qualified, an RFP Bidder must submit available financial information for the RFP Bidder by upload to the online Part 1 Form or by email at PECOProcurement@nera.com. If available, the RFP Bidder must submit its most recent quarterly financial information, including a balance sheet, income statement, cash flow statement, and any accompanying notes and schedules. If available, the most recent Securities and Exchange Commission (“SEC”) Form 10-Q or 10-K (whichever is more recent) must be submitted to fulfill this requirement. If the SEC Form 10-Q/10-K is unavailable, the RFP Bidder must submit its most recent quarterly, monthly or bi-annual financial information accompanied by an attestation by the RFP Bidder’s Chief Financial Officer (or similar position) that the information contained in the financial statements fairly presents in all material respects the financial condition and results of the operations of the RFP Bidder. The requirements for this attestation are provided more specifically in Appendix 5 of these RFP Rules. If such financial information is unavailable for the RFP Bidder, the RFP Bidder must clearly state this fact.
- Whether or not the RFP Bidder has previously qualified, an RFP Bidder must submit all available credit ratings for the RFP Bidder from the following rating agencies: S&P Global Ratings (“S&P”), Moody’s Investors Service, Inc. (“Moody’s”), and Fitch Ratings (“Fitch”). If no ratings are available for the entity, the RFP Bidder must clearly state this fact.

IV.2.4. Information Required from RFP Bidders Relying on the Financial Standing of an RFP Guarantor. The requirements of this paragraph only apply to an RFP Bidder that selects option (b) in response to Paragraph IV.2.2.

- Financial information must be available for the RFP Guarantor.
- Whether or not the RFP Bidder has previously qualified, the RFP Bidder must provide the RFP Guarantor’s legal name and address. If the RFP Bidder updates the RFP Guarantor’s legal name since the RFP Bidder last submitted a successful Part 1 Proposal, the RFP Bidder must provide

evidence of the change of name. If there was a change in the corporate structure of the RFP Guarantor, through a merger for example, the RFP Bidder must use the Standard Part 1 Form to present its Part 1 Proposal.

- An RFP Bidder must submit by upload to the online Part 1 Form or by email at PECOProcurement@nera.com, if available, the RFP Guarantor's most recent quarterly financial information, including a balance sheet, income statement, cash flow statement, and any accompanying notes and schedules. If available, the most recent SEC Form 10-Q or 10-K (whichever is more recent) must be submitted to fulfill this requirement. If the SEC Form 10-Q/10-K is unavailable, the RFP Bidder must submit the RFP Guarantor's most recent quarterly, monthly, or bi-annual financial information accompanied by an attestation by the entity's Chief Financial Officer (or similar position) that the information contained in the financial statements fairly presents in all material respects the financial condition and results of the operations of the entity. The requirements for this attestation are provided more specifically in Appendix 5 of these RFP Rules.
- Whether or not the RFP Bidder has previously qualified, an RFP Bidder must submit all available credit ratings for the RFP Guarantor from the following rating agencies: S&P, Moody's, and Fitch. Such ratings must be available for the RFP Guarantor. The Independent Evaluator may inquire specifically about one or more credit ratings on file for the entity on whose financial standing the RFP Bidder and ask the RFP Bidder to confirm that no updates have been issued.

IV.2.5. Information Required from RFP Bidders Relying on the Financial Standing of an RFP Principal. The requirements of this paragraph only apply to an RFP Bidder submitting a Proposal under an Agency Agreement that selects option (c) in response to Paragraph IV.2.2.

- Whether or not the RFP Bidder has previously qualified, the RFP Bidder must provide each Principal's legal name and address.
- If not previously qualified, the RFP Bidder must provide a copy of the Agency Agreement by upload to the online Part 1 Form or by email at PECOProcurement@nera.com. If previously

qualified, the RFP Bidder must either confirm that the previously provided document remains valid or the RFP Bidder must update this information.

- If the RFP Bidder is acting as an agent for multiple Principals, the RFP Bidder must identify the Principal with the lowest credit rating as the entity on whose financial standing the RFP Bidder relies. If several Principals have the same lowest credit rating, the RFP Bidder must identify the Principal that also has the lowest tangible net worth as the entity on whose financial standing the RFP Bidder relies. This Principal is referred to as the “RFP Principal”. If there is a single Principal, the single Principal is the “RFP Principal”. Financial information must be available for the RFP Principal.
- An RFP Bidder must submit by upload to the online Part 1 Form or by email at PECOProcurement@nera.com, if available, the RFP Principal’s most recent quarterly financial information, including a balance sheet, income statement, cash flow statement, and any accompanying notes and schedules. If available, the most recent SEC Form 10-Q or 10-K (whichever is more recent) must be submitted to fulfill this requirement. If the SEC Form 10-Q/10-K is unavailable, the RFP Bidder must submit the RFP Principal’s most recent quarterly, monthly, or bi-annual financial information accompanied by an attestation by the entity’s Chief Financial Officer (or similar position) that the information contained in the financial statements fairly presents in all material respects the financial condition and results of the operations of the RFP Principal. The requirements for this attestation are provided more specifically in Appendix 5 of these RFP Rules.
- Whether or not the RFP Bidder has previously qualified, an RFP Bidder must submit all available credit ratings for the RFP Principal from the following rating agencies: S&P, Moody’s, and Fitch. Such ratings must be available from at least two rating agencies for the RFP Principal. The Independent Evaluator may inquire specifically about one or more credit ratings on file for the RFP Principal and ask the RFP Bidder to confirm that no updates have been issued.

- Whether or not an RFP Bidder has previously qualified, the Officer of the RFP Bidder must: (i) certify that the Officer of the RFP Bidder has the authority to bind the Principal(s); and (ii) acknowledge that an Officers' Certificate, signed by an officer of each Principal and substantially in the form of Appendix 6 to these RFP Rules, must be provided with the Part 2 Proposal. The Officer of the RFP Bidder makes this certification and this acknowledgment by completing the P1 Agency Certifications Insert.
- Whether or not the RFP Bidder has previously qualified, the RFP Bidder may, but is not required to, submit a draft Officers' Certificate for evaluation. If an RFP Bidder submits a draft Officers' Certificate for evaluation, the Independent Evaluator will provide this evaluation to the RFP Bidder, including notice of any changes required to the Officers' Certificate, along with the Part 1 Notification. This Officers' Certificate will state that: (i) the Agency Agreement submitted in response to this RFP is a true and complete copy of the Agency Agreement as currently in effect; (ii) the Agency Agreement is in full force and effect and shall remain in full force and effect for a period extending to six (6) business days following the Bid Date; (iii) there are no proceedings pending for the amendment or termination of the Agency Agreement, contemplated by the RFP Bidder, or contemplated by the Principal(s) to the RFP Bidder's knowledge; (iv) each individual who has executed the Officers' Certificate and the Agency Agreement is (or was at the time of the execution of such documents) authorized to execute and deliver such documents on behalf of the Principal(s); and (v) the Officer of the RFP Bidder is authorized to execute the Uniform SMA as well as any Transaction Confirmation(s) pursuant to the Uniform SMA on behalf of the Principal(s).

IV.2.6. All information required by this Section IV.2 must be provided exclusively by completing Section 2 of the online Part 1 Form and the Inserts prepared for this purpose, as further explained in Article VII. Inserts and documents must be submitted by upload to the online Part 1 Form or by email to the Independent Evaluator at PECOProcurement@nera.com. An Insert that requires a signature will contain instructions describing the acceptable methods of completion and submission for that Insert and an RFP Bidder must follow such instructions.

IV.3. Credit Instruments and Uniform SMA

IV.3.1. Standard Pre-Bid Letter of Credit. RFP Bidders have an opportunity, in the Part 1 Proposal, to propose modifications to the Pre-Bid Letter of Credit.

- Whether or not the RFP Bidder has previously qualified, an RFP Bidder must, in its Part 2 Proposal, submit a Pre-Bid Letter of Credit in an amount of at least: \$250,000 per tranche bid on products of the RES and SC Classes; and \$125,000 per tranche bid on a CCI product (if applicable). This Pre-Bid Letter of Credit must be in the form of the Standard Pre-Bid Letter of Credit provided as Appendix 9 to these RFP Rules or must incorporate only modifications that have been approved by PECO and provided to RFP Bidders by the Independent Evaluator.
- As part of the Part 1 Proposal, an RFP Bidder may request modifications to the Standard Pre-Bid Letter of Credit that are non-material in nature, or that are advantageous to both PECO and the RFP Bidder. An RFP Bidder requests modifications to the Standard Pre-Bid Letter of Credit by submitting a Draft Pre-Bid Letter of Credit substantially in the form of the Standard Pre-Bid Letter of Credit indicating clearly any and all modifications to the Standard Pre-Bid Letter of Credit. The Draft Pre-Bid Letter of Credit must be submitted in Microsoft Word with tracked changes by upload to the online Part 1 Form or by email at PECOProcurement@nera.com. A Draft Pre-Bid Letter of Credit that is not substantially in the form of the Standard Pre-Bid Letter of Credit will not be considered or evaluated.
- An RFP Bidder must confirm whether the Draft Pre-Bid Letter of Credit submitted as part of the Part 1 Proposal contains the same requested modifications as a Draft Pre-Bid Letter of Credit submitted in a prior solicitation. If the Draft Pre-Bid Letter of Credit submitted does contain the same requested modifications as a prior submittal, the Independent Evaluator will provide the RFP Bidder with PECO's assessment of the prior submittal upon request and the Draft Pre-Bid Letter of Credit will not be reviewed again.
- All approved modifications to the Standard Pre-Bid Letter of Credit will be posted to the RFP website. Each RFP Bidder may use any of the approved modifications, regardless of whether the RFP Bidder itself or another RFP Bidder proposed the modification.

- An RFP Bidder that chooses not to propose modifications to the Standard Pre-Bid Letter of Credit must clearly state that fact.

IV.3.2. Standard Post-Bid Letter of Credit. RFP Bidders have an opportunity, in the Part 1 Proposal, to propose modifications to the Post-Bid Letter of Credit.

- The Uniform SMA includes, as Appendix F, Letter of Credit Documentation that may be used to post security under the terms of the Uniform SMA. This Paragraph refers to this letter of credit as the “Standard Post-Bid Letter of Credit”.
- Whether or not the RFP Bidder has previously qualified, an RFP Bidder may, in its Part 1 Proposal, request modifications to the Standard Post-Bid Letter of Credit that are non-material in nature, or that are advantageous to both PECO and the RFP Bidder. An RFP Bidder requests modifications to the Standard Post-Bid Letter of Credit by submitting a Draft Post-Bid Letter of Credit substantially in the form of the Standard Post-Bid Letter of Credit indicating clearly any and all modifications to the Standard Post-Bid Letter of Credit. The Draft Post-Bid Letter of Credit must be submitted in Microsoft Word by upload to the online Part 1 Form or by email at pecoprocurement@nera.com. A Draft Post-Bid Letter of Credit that is not substantially in the form of the Standard Post-Bid Letter of Credit will not be considered or evaluated.
- An RFP Bidder must confirm whether the Draft Post-Bid Letter of Credit submitted as part of the Part 1 Proposal contains the same requested modifications as a Draft Post-Bid Letter of Credit submitted in a prior solicitation. If the Draft Post-Bid Letter of Credit submitted does contain the same requested modifications as a prior submittal, the Independent Evaluator will provide the RFP Bidder with PECO’s assessment of the prior submittal upon request and the Draft Post-Bid Letter of Credit will not be reviewed again.
- All approved modifications to the Standard Post-Bid Letter of Credit will be posted to the RFP website. Each RFP Bidder may use any of the approved modifications, regardless of whether the RFP Bidder itself or another RFP Bidder proposed the modification.
- An RFP Bidder that chooses not to propose modifications to the Standard Pre-Bid Letter of Credit must clearly indicates that fact.

IV.3.3. Standard Guaranty. RFP Bidders have an opportunity, in the Part 1 Proposal, to propose modifications to the Standard Guaranty.

- The Uniform SMA includes, as Appendix G, Guaranty Documentation that may be used to provide a financial guaranty under the terms of the Uniform SMA. This Paragraph refers to this financial guaranty as the “Standard Guaranty”.
- Whether or not the RFP Bidder has previously qualified, an RFP Bidder may, in its Part 1 Proposal, request modifications to the Standard Guaranty that are non-material in nature, or that are advantageous to both PECO and the RFP Bidder. An RFP Bidder requests modifications to the Standard Guaranty by submitting a Draft Guaranty substantially in the form of the Standard Guaranty indicating clearly any and all modifications to the Standard Guaranty. The Draft Guaranty must be submitted in Microsoft Word by upload to the online Part 1 Form or by email at pecoprocurement@nera.com. A Draft Guaranty that is not substantially in the form of the Standard Guaranty will not be considered or evaluated.
- An RFP Bidder must confirm whether the Draft Guaranty submitted as part of the Part 1 Proposal contains the same requested modifications as a Draft Guaranty submitted in a prior solicitation. If the Draft Guaranty submitted does contain the same requested modifications as a prior submittal, the Independent Evaluator will provide the RFP Bidder with PECO’s assessment of the prior submittal upon request and the Draft Guaranty will not be reviewed again.
- All approved modifications to the Standard Guaranty will be posted to the RFP website. Each RFP Bidder may use any of the approved modifications, regardless of whether the RFP Bidder itself or another RFP Bidder proposed the modification.
- An RFP Bidder that chooses not to propose modifications to the Standard Pre-Bid Letter of Credit must clearly indicate that fact.

IV.3.4. Information to Prepare the Uniform SMA. This paragraph applies only to RFP Bidders that are not Default Suppliers. Such RFP Bidder is asked, in its Part 1 Proposal, to provide all information needed by the Independent Evaluator to prepare for execution the Uniform SMA and its Exhibits by

completing the Uniform SMA Insert prepared for this purpose and available on the Proposal submission website. The RFP Bidder provides the Uniform SMA Insert by upload to the online Part 1 Form or by email at pecoprocurement@nera.com. If the Independent Evaluator identifies one or more of such RFP Bidder's Bids to the Commission as lowest-priced Bids, the Independent Evaluator will use this information to prepare the Uniform SMA and its Exhibits for execution.

- Such RFP Bidder is asked: (i) to specify any elections to be made in the Uniform SMA; and (ii) to provide the contact information required to prepare the Form of Notice, which is included as Exhibit 2 to the Uniform SMA; and (iii) to provide any additional information required to prepare the Uniform SMA and its Exhibits.
- If such RFP Bidder fails to submit these elections and information with the Part 1 Proposal, the Officer of the RFP Bidder must acknowledge that, if the Independent Evaluator notifies the RFP Bidder that the Independent Evaluator is identifying one or more of the RFP Bidder's Bids to the Commission as lowest-priced Bids, the RFP Bidder will be required to provide: (i) any elections to be made in the Uniform SMA; and (ii) the contact information to prepare the Form of Notice; and (iii) any additional information required to prepare the Uniform SMA and its Exhibits; by 12 PM (noon) EPT on the business day after such notification is received. The Officer of the RFP Bidder provides the required acknowledgement by completing the Delay (SMA) Insert prepared for this purpose and available on the Proposal submission website.

IV.3.5. All information required by this Section IV.3 must be provided exclusively by completing Section 3 of the online Part 1 Form and the Inserts prepared for this purpose, as further explained in Article VII. Inserts and documents must be submitted by upload to the online Part 1 Form or by email to the Independent Evaluator at pecoprocurement@nera.com. An Insert that requires a signature will contain instructions describing the acceptable methods of completion and submission for that Insert and an RFP Bidder must follow such instructions.

IV.4. Representations

IV.4.1. Representations by the Officer of the RFP Bidder. Whether or not an RFP Bidder has previously qualified, the Officer of the RFP must certify that:

- he/she is an officer, a director, or an individual otherwise authorized to undertake contracts (including the Uniform SMA) and bind the RFP Bidder;
- all information provided in the Part 1 Proposal is true and accurate to the best of the knowledge and belief of the Officer of the RFP Bidder;
- if, for any reason or due to any circumstance, any information provided in the Part 1 Proposal changes or any previous certification fails to remain valid before the sixth business day after the Bid Date, the Officer of the RFP Bidder or the Representative will notify the Independent Evaluator of such changes as soon as practicable but in no event later than one (1) business day before the Bid Date;
- the Part 1 Proposal will remain valid and remain in full force and effect until six (6) business days after the Bid Date; and
- the RFP Bidder is not part of a bidding agreement, a joint venture for purposes of participating in any solicitation for this RFP, a bidding consortium, or any other type of agreement related to bidding in any solicitation of this RFP. An RFP Bidder found to be acting in concert with another RFP Bidder may be disqualified by the Independent Evaluator.

The Officer of the RFP Bidder presents such certifications by completing the P1 Certifications (A) Insert prepared for this purpose.

IV.4.2. Additional Representations for RFP Bidders that have not previously qualified. If an RFP Bidder has not previously qualified, the Officer of the RFP Bidder must certify that:

- he/she understands the terms of the Uniform SMA, that the RFP Bidder accepts all of the terms of the Uniform SMA without modifications, and that the RFP Bidder will execute the Uniform SMA and the Transaction Confirmation(s) for all Bids approved by the Commission;
- the submission of the Part 1 Proposal constitutes the RFP Bidder's acknowledgement and acceptance of all the terms and conditions of the RFP, regardless of the outcome of the solicitation or the outcome of such Proposal;
- the RFP Bidder has no actions at law, suits in equity, proceedings or claims pending or, to the RFP Bidder's knowledge, threatened against it before any federal, state, foreign or local court,

tribunal or governmental agency or authority that might materially delay, prevent or hinder the RFP Bidder's performance of its obligations under the Uniform SMA;

- the RFP Bidder is not bankrupt or insolvent and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming bankrupt or insolvent; and
- if the Independent Evaluator notifies the RFP Bidder that the Independent Evaluator is identifying one or more of the RFP Bidder's Bids to the Commission as lowest-priced Bids, all information required for the preparation of the Uniform SMA and its Exhibits must be submitted and complete by 12 PM (noon) EPT on the business day after such notification is received;

The Officer of the RFP Bidder presents such certifications by completing the P1 Certifications (B) Insert prepared for this purpose.

IV.4.3. Additional Representations for RFP Bidders have previously qualified but that are not Default Suppliers. If an RFP Bidder has previously qualified but is not a Default Supplier, the Officer of the RFP Bidder must certify that:

- The RFP Bidder has no actions at law, suits in equity, proceedings or claims pending or, to the RFP Bidder's knowledge, threatened against it before any federal, state, foreign or local court, tribunal or governmental agency or authority that might materially delay, prevent or hinder the RFP Bidder's performance of its obligations under the Uniform SMA;
- The RFP Bidder is not bankrupt or insolvent and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming bankrupt or insolvent; and
- if the Independent Evaluator notifies the RFP Bidder that the Independent Evaluator is identifying one or more of the RFP Bidder's Bids to the Commission as lowest-priced Bids, all information required for the preparation of the Uniform SMA and its Exhibits must be submitted and complete by 12 PM (noon) EPT on the business day after such notification is received.

The Officer of the RFP Bidder presents such certifications by completing the P1 Certifications (C) Insert prepared for this purpose.

IV.4.4. PJM Load Serving Entity. The requirements of this paragraph apply only to RFP Bidders that are not previously qualified RFP Bidders. A Default Supplier must be an LSE by the start of the supply period.

- An RFP Bidder that has not previously qualified must, in its Part 1 Proposal, either: (i) demonstrate that the RFP Bidder is an LSE in PJM by providing the signature page of the Reliability Assurance Agreement (“RAA”); or (ii) certify that the RFP Bidder has investigated the requirements to become an LSE in PJM and that there exist no impediments for the RFP Bidder to become an LSE by the start of the supply period and to remain an LSE for the duration of the supply period.
- An RFP Bidder that provides the signature page of the RAA does so by upload to the online Part 1 Form or by email at pecoprocedurement@nera.com.
- An RFP Bidder that submits the certification above does so by completing the LSE Representation Insert prepared for this purpose and available on the Proposal submission website.

IV.4.5. All information required by this Section IV.4 must be provided exclusively by completing Section 4 of the online Part 1 Form and the Inserts prepared for this purpose, as further explained in Article VII. Inserts and documents must be submitted by upload to the online Part 1 Form or sent by email to the Independent Evaluator at PECOProcedurement@nera.com. An Insert that requires a signature will contain instructions describing the acceptable methods of completion and submission for that Insert and an RFP Bidder must follow such instructions.

IV.5. Foreign RFP Bidders and Foreign Entities

IV.5.1. The requirements of this section apply only to: (1) Foreign RFP Bidders; or (2) RFP Bidders that rely on the financial standing of a Foreign Entity as RFP Guarantor; or RFP Bidders submitting a Proposal under an Agency Agreement with a Foreign Entity as Principal. Other RFP Bidders are not subject to the requirements of this section.

IV.5.2. Additional requirements for Foreign RFP Bidders. The requirements of this Paragraph apply only to Foreign RFP Bidders; other RFP Bidders are not subject to the requirements of this Paragraph.

- Whether or not such RFP Bidder has previously qualified, such RFP Bidder may provide, in addition to supplying all required information and documents under Section IV.2, any additional evidence of creditworthiness so as to provide PECO with comparable assurances of creditworthiness as is applicable for an RFP Bidder that has been incorporated or otherwise formed under the laws of a state of the United States or of the District of Columbia.
- If such RFP Bidder has not previously qualified, the Officer of a Foreign RFP Bidder must acknowledge that the following additional documents are required with the Part 2 Proposal:
 - (i) a legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the Foreign RFP Bidder is incorporated or otherwise formed that the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the Foreign RFP Bidder in the jurisdiction in which it has been incorporated or otherwise formed; (ii) the sworn certificate of the corporate secretary (or similar officer) of such Foreign RFP Bidder that the person executing the Uniform SMA on behalf of the Foreign RFP Bidder has the authority to execute the Uniform SMA and that the governing board of such Foreign RFP Bidder has approved the execution of the Uniform SMA; and (iii) the sworn certificate of the corporate secretary (or similar officer) of such Foreign RFP Bidder that the Foreign RFP Bidder has been authorized by its governing board to enter into agreements of the same type as the Uniform SMA.
- Whether or not such RFP Bidder has previously qualified, such RFP Bidder may, but is not required to, submit a draft of the following documents for evaluation: (i) a legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the Foreign RFP Bidder is incorporated or otherwise formed that the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the Foreign RFP Bidder in the jurisdiction in which it has been incorporated or otherwise formed; (ii) the sworn certificate of the corporate secretary (or similar officer) of such Foreign RFP Bidder that the person executing the Uniform SMA on behalf of the Foreign RFP Bidder has the authority to execute

the Uniform SMA and that the governing board of such Foreign RFP Bidder has approved the execution of the Uniform SMA; and (iii) the sworn certificate of the corporate secretary (or similar officer) of such Foreign RFP Bidder that the Foreign RFP Bidder has been authorized by its governing board to enter into agreements of the same type as the Uniform SMA. The Independent Evaluator will make available to RFP Bidders a sample of the legal opinion of outside counsel that is sufficient for a Foreign Entity as Principal. If such RFP Bidder submits a draft of these documents for evaluation, the Independent Evaluator will provide this evaluation to such RFP Bidder, including notice of any changes required to the documents, along with the Part 1 Notification.

- The RFP Bidder presents this information by completing the P1 Foreign Bidder Insert prepared for this purpose and provides associated documents. This Insert is available on the Proposal submission website.

IV.5.3. Additional requirements for RFP Bidders relying on the financial standing of a Foreign Guarantor.

The requirements of this Paragraph apply only to RFP Bidders that rely on the financial standing of a Foreign Entity as RFP Guarantor; other RFP Bidders are not subject to the requirements of this Paragraph.

- Whether or not such RFP Bidder has previously qualified, an RFP Bidder relying on the financial standing of a Foreign Entity as RFP Guarantor may provide, in addition to supplying all required information and documents under Section IV.2, any additional evidence of creditworthiness for the RFP Guarantor so as to provide PECO with comparable assurances of creditworthiness as is applicable for an entity that has been incorporated or otherwise formed under the laws of a state of the United States or of the District of Columbia.
- If such RFP Bidder has not previously qualified, the Officer of such RFP Bidder must acknowledge that the following additional documents are required with the Part 2 Proposal for the Foreign Entity as RFP Guarantor to be granted unsecured credit and for the RFP Bidder to rely on the financial standing of the RFP Guarantor under the terms of the Uniform SMA: (i) a legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the RFP Guarantor is incorporated or otherwise formed that the guaranty pursuant to the Uniform

SMA is, or upon the completion of execution formalities will become, the binding obligation of the RFP Guarantor in the jurisdiction in which it has been incorporated or otherwise formed; and (ii) the sworn certificate of the corporate secretary (or similar officer) of such RFP Guarantor that the person executing the guaranty pursuant to the Uniform SMA on behalf of the RFP Guarantor has the authority to execute the guaranty pursuant to the Uniform SMA and that the governing board of such RFP Guarantor has approved the execution of the guaranty pursuant to the Uniform SMA; and (iii) the sworn certificate of the corporate secretary (or similar officer) of such RFP Guarantor that the RFP Guarantor has been authorized by its governing board to enter into agreements of the same type as the guaranty pursuant to the Uniform SMA.

- Whether or not such RFP Bidder has previously qualified, the RFP Bidder may, but is not required to, submit with its Part 1 Proposal a draft of the following documents: (i) a legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the RFP Guarantor is incorporated or otherwise formed that the guaranty pursuant to the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the RFP Guarantor in the jurisdiction in which it has been incorporated or otherwise formed; and (ii) the sworn certificate of the corporate secretary (or similar officer) of such RFP Guarantor that the person executing the guaranty pursuant to the Uniform SMA on behalf of the RFP Guarantor has the authority to execute the guaranty pursuant to the Uniform SMA and that the governing board of such RFP Guarantor has approved the execution of the guaranty pursuant to the Uniform SMA; and (iii) the sworn certificate of the corporate secretary (or similar officer) of such RFP Guarantor that the RFP Guarantor has been authorized by its governing board to enter into agreements of the same type as the guaranty pursuant to the Uniform SMA. The Independent Evaluator will make available to RFP Bidders a sample of the legal opinion of outside counsel that is sufficient for a Foreign Entity as Principal. If an RFP Bidder submits a draft of the documents for evaluation, the Independent Evaluator will provide this evaluation to the RFP Bidder, including notice of any changes required to the documents, along with the Part 1 Notification.

- The RFP Bidder presents this information by completing the P1 Foreign Guarantor Insert prepared for this purpose and provides associated documents. This Insert is available on the Proposal submission website.

IV.5.4. Additional Requirements for RFP Bidders submitting a Proposal under an Agency Agreement with a Foreign Entity as Principal. The requirements of this Paragraph apply only to RFP Bidders that are submitting a Proposal under an Agency Agreement with a Foreign Entity as Principal; other RFP Bidders are not subject to the requirements of this Paragraph.

- Whether or not such RFP Bidder has previously qualified, if the RFP Principal is a Foreign Entity, an RFP Bidder submitting a Proposal under an Agency Agreement with a Foreign Entity as RFP Principal may, in addition to supplying all required information and documents under Section IV.2, provide any additional evidence of creditworthiness for the Principal so as to provide PECO with comparable assurances of creditworthiness as is applicable for an entity that has been incorporated or otherwise formed under the laws of a state of the United States or of the District of Columbia.
- If such RFP Bidder has not previously qualified, the Officer of such RFP Bidder must acknowledge that the following additional documents are required with the Part 2 Proposal: (i) a legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the Principal is incorporated or otherwise formed that the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the Principal in the jurisdiction in which it has been incorporated or otherwise formed; and (ii) the sworn certificate of the corporate secretary (or similar officer) of such Principal that the Principal has been authorized by its governing board to enter into agreements of the same type as the Uniform SMA.
- Whether or not such RFP Bidder has previously qualified, such RFP Bidder may, but is not required to, submit with its Part 1 Proposal a draft of the following additional documents: (i) a legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the Principal is incorporated or otherwise formed that the Uniform SMA is, or upon the completion

of execution formalities will become, the binding obligation of the Principal in the jurisdiction in which it has been incorporated or otherwise formed; and (ii) the sworn certificate of the corporate secretary (or similar officer) of such Principal that the Principal has been authorized by its governing board to enter into agreements of the same type as the Uniform SMA. The Independent Evaluator will make available to RFP Bidders a sample of the legal opinion of outside counsel that is sufficient for a Foreign Entity as Principal. If an RFP Bidder submits a draft of the documents for evaluation, the Independent Evaluator will provide this evaluation to the RFP Bidder, including notice of any changes required to the documents, along with the Part 1 Notification.

- The RFP Bidder presents this information by completing the P1 Foreign Principal Insert prepared for this purpose and provides associated documents. This Insert is available on the Proposal submission website.

IV.5.5. All information required by this Section IV.5 must be provided exclusively by completing Section 5 of the online Part 1 Form and the Inserts prepared for this purpose, as further explained in Article VII. Inserts and documents must be submitted by upload to the online Part 1 Form or sent by email to the Independent Evaluator at PECOProcurement@nera.com. An Insert that requires a signature will contain instructions describing the acceptable methods of completion and submission for that Insert and an RFP Bidder must follow such instructions.

ARTICLE V. Part 2 Proposal Requirements

RFP Bidders that became eligible to submit Bids in a previous solicitation held under DSP VI may participate in an abbreviated process by using the Short Part 2 Form available online through the Proposal submission website to respond to these requirements.

V.1. Contact Information and Representations

V.1.1. Contact Information for the RFP Bidder. The RFP Bidder has an opportunity to update contact information provided in the Part 1 Proposal for the RFP Bidder or any individual. Whether or not the RFP Bidder is previously eligible, the RFP Bidder either must confirm that the contact information for the RFP Bidder, the Officer of the RFP Bidder and Representative of the RFP Bidder remains valid or must update this information in the online Part 2 Form. The RFP Bidder may, at any point during the solicitation, provide contact information for Nominees or update this information by submission of the Nominee Insert.

V.1.2. Representations of the Officer of the RFP Bidder. For a given solicitation, all representations and certifications must be made by a single individual who serves as Officer of the RFP Bidder. All representations and certifications required by this RFP may be made at a single point in time and RFP Bidders have the option to submit the online Part 1 Form and the certifications required by the online Part 2 Form together during the Part 1 Window. If an RFP Bidder did not avail itself of this option and if the Officer of the RFP Bidder who made the representations and certifications of the online Part 1 Form is unavailable to make the representations of the online Part 2 Form, the RFP Bidder must re-submit the certifications of the Part 1 Form by email naming a new individual to serve as Officer of the RFP Bidder by the Part 2 Date, and that Officer of the RFP Bidder must make all representations and certifications required by the online Part 1 Form and the online Part 2 Form. Whether or not the RFP Bidder is previously eligible, the Officer of the RFP Bidder must certify that:

- the Part 2 Proposal will remain valid and remain in full force and effect until six (6) business days after the Bid Date and if any information provided in the Part 2 Proposal changes or any previous certification fails to remain valid during that time, the RFP Bidder will notify the Independent Evaluator as soon as practicable;

- the RFP Bidder is bidding independently and that it has no knowledge of any information concerning a Proposal by another RFP Bidder in response to this solicitation or any future solicitation under this RFP. Such information includes, but is not limited to: the fact that another RFP Bidder is submitting a Proposal in response to this solicitation or a subsequent solicitation under this RFP; the Bids by another RFP Bidder in this or in a subsequent solicitation under this RFP; the number of tranches bid by another RFP Bidder for any product in this or in a subsequent solicitation under this RFP; the estimation by another RFP Bidder of the value of a tranche of a product; the estimation by another RFP Bidder of the risks associated with providing supply under the Uniform SMA; the preference of another RFP Bidder for bidding on specific products in this or in a subsequent solicitation under the RFP; and the contractual arrangements for power of another RFP Bidder to serve tranches of Default Service Load were that RFP Bidder to become a Default Supplier. This certification must be binding and in effect until the Commission has either approved or rejected each of the lowest-priced Bids for this solicitation;
- although the RFP Bidder may disclose aspects of its Proposal in communicating with its financial institution for the purpose of preparing the Pre-Bid Letter of Credit or in communicating with advisors (if any), any such communication is made in a manner that can reasonably be expected to maintain the confidentiality of its Proposal;
- with only the exceptions noted in the immediately previous certification, the RFP Bidder has not disclosed, and will not otherwise disclose, publicly or to any other party any information relating to its Proposal, which could have an effect on whether another party submits a Proposal in any solicitation under the RFP, or on the contents of the Proposal that another RFP Bidder would be willing to submit in response to the RFP. Such information includes, but is not limited to: the fact that the RFP Bidder is submitting a Proposal in response to this RFP; the RFP Bidder's Bids in this or in a subsequent solicitation under this RFP; the RFP Bidder's number of tranches bid for any product in this or in a subsequent solicitation under this RFP; the RFP Bidder's estimation of the value of a tranche of a product; the RFP Bidder's estimation of the risks associated with providing supply under the Uniform SMA; and the RFP Bidder's

preference for bidding on specific products in this or in a subsequent solicitation under this RFP. This certification must be binding and in effect until the Commission has either approved or rejected each of the lowest-priced Bids for this solicitation;

- any Bid on any product submitted in response to this RFP for this solicitation is binding until six (6) business days after the Bid Date and constitutes a binding and irrevocable offer to provide service under the terms of the Uniform SMA at the price specified in the Bid;
- the Officer of the RFP Bidder will execute (or will nominate another authorized individual to execute) the Uniform SMA and all Transaction Confirmation(s) for the RFP Bidder's Bids that are approved by the Commission no later than 2PM on the fifth business day after the Bid Date; and
- In each Transaction Confirmation, the RFP Bidder will specify a price for each type of AECs (Tier I, Tier I Solar, and Tier II) that is included in the RFP Bidder's lowest-priced Bids and each such price must be greater than \$0/AEC.

The RFP Bidder submits such certifications by completing the P2 Certifications Insert prepared for this purpose and available on the Proposal submission website.

- V.1.3. All information required by this Section V.1 must be provided exclusively by completing Section 1 of the online Part 2 Form and the Inserts prepared for this purpose, as further explained in Article VII. Inserts and documents must be submitted by upload to the online Part 1 Form or sent by email to the Independent Evaluator at PECOProcurement@nera.com. An Insert that requires a signature will contain instructions describing the acceptable methods of completion and submission for that Insert and an RFP Bidder must follow such instructions.

V.2. Pre-Bid Letter of Credit

- V.2.1. Whether or not an RFP Bidder is previously eligible, the RFP Bidder must provide an executed Pre-Bid Letter of Credit, drawn for the account of the RFP Bidder and acceptable to PECO, in an amount of at least: \$250,000 per tranche bid on products for the RES and SC Classes, plus \$125,000 per tranche bid on a product for the CCI Class (if applicable) in accordance with the requirements of this

Section V.2. A single Pre-Bid Letter of Credit is submitted even if the RFP Bidder bids on more than one product or if the RFP Bidder bids to supply both full requirements on a fixed-price basis and full requirements on a spot-price basis.

- V.2.2. The executed Pre-Bid Letter of Credit must be submitted as an electronic PDF file via electronic means only to the Independent Evaluator at PECOProcurement@nera.com. A Pre-Bid Letter of Credit sent in hard copy cannot be accepted.
- V.2.3. The RFP Bidder must either use the Standard Pre-Bid Letter of Credit provided in Appendix 9 to these RFP Rules, or the RFP Bidder must submit a Pre-Bid Letter of Credit that incorporates only those modifications to the Standard Pre-Bid Letter of Credit accepted as a result of the evaluation of the Part 1 Proposals. All approved modifications will be posted to the RFP website. An RFP Bidder may use any of the approved modifications, regardless of whether the RFP Bidder itself or another RFP Bidder proposed the modification. The RFP Bidder cannot, in its Part 2 Proposal, propose or incorporate any modification to its Pre-Bid Letter of Credit other than the modifications approved and posted as such on the RFP website.
- V.2.4. Generally, PECO and the Independent Evaluator will release the Pre-Bid Letter of Credit no later than six (6) business days after the Bid Date. An RFP Bidder may, in Section 2 of the Part 2 Form, provide special instructions for the return of the Pre-Bid Letter of Credit. If the Commission does not approve any of the RFP Bidder's Bids, PECO and the Independent Evaluator will release that RFP Bidder's Pre-Bid Letter of Credit within three (3) business days of the Bid Date. The prompt release of the Pre-Bid Letter of Credit will be conditioned upon the RFP Bidder not having violated any undertakings agreed to as part of the RFP.
- V.2.5. Payment under the Pre-Bid Letter of Credit can be demanded by PECO if: (i) the RFP Bidder has made a material omission or misrepresentation in its Part 1 Proposal or in its Part 2 Proposal; (ii) the RFP Bidder discloses information relating to its Proposal publicly or to any other party before the Commission has rendered its decision on the results of this solicitation; or (iii) the RFP Bidder has one or more Bids approved by the Commission and the RFP Bidder fails to execute the Uniform SMA and its Exhibits or fails to meet the creditworthiness requirements within the timeframe required.

V.2.6. All information required by this Section V.2 must be provided exclusively by completing Section 2 of the online Part 2 Form, as further explained in Article VII. Any special instructions for the return of the Pre-Bid Letter of Credit may be submitted by upload to the online Part 2 Form or sent by email to the Independent Evaluator at PECOProcurement@nera.com.

V.3. RFP Bidders Relying on the Financial Standing of an RFP Guarantor

V.3.1. The requirements of this Section V.3 apply only to RFP Bidders relying on the financial standing of an RFP Guarantor; other RFP Bidders are not subject to the requirements of this Section V.3.

V.3.2. Intent to Provide a Guaranty. The requirements of this paragraph only apply to RFP Bidders that are not Default Suppliers.

- Such RFP Bidder must provide in its Part 2 Proposal a statement from a representative of the RFP Guarantor acknowledging that the RFP Guarantor: (i) has been asked to provide a financial guaranty on behalf of the RFP Bidder should the RFP Bidder become a Default Supplier pursuant to its response under this RFP for procuring supply under the terms of the Uniform SMA; (ii) has a senior unsecured debt rating that meets the Minimum Rating as defined in the Uniform SMA; and (iii) would consider providing a financial guaranty on behalf of the RFP Bidder should there be no material change in affairs for at least the Indicative Amount. This RFP Guarantor may add that this statement should not and cannot be taken as an indication of financing commitment of any kind whatsoever, or an absolute commitment to provide a financial guaranty.
- The Indicative Amount must meet or exceed the sum of: (i) \$600,000 times the number of tranches bid on products for the RES and SC Classes for full requirements on a fixed-price basis; and (ii) \$300,000 times the number of tranches bid for the CCI Class for full requirements on a spot-price basis (if applicable).
- The individual signing the intent to provide a guaranty must be a representative of the RFP Guarantor authorized to undertake contracts (including the Guaranty) and bind that RFP Guarantor.

The RFP Bidder provides this statement by completing the Guaranty Intent Insert prepared for this purpose and available on the Proposal submission website.

V.3.3. Information to Prepare the Guaranty. This paragraph applies to RFP Bidders that are not Default Suppliers.

- The RFP Bidder is asked: (i) to specify the governing laws under which the RFP Guarantor is organized; (ii) to provide the name and title of the signatory to the guaranty as well as contact information for an individual who will receive notice under the guaranty; and (iii) to make elections to incorporate any or all of the approved modifications to the Standard Guaranty.
- If an RFP Bidder that is not a Default Supplier with a Guaranty in force fails to submit information required for preparation of the Guaranty with the Part 1 Proposal, the Officer of the RFP Bidder must acknowledge that, if the Independent Evaluator notifies the RFP Bidder that the Independent Evaluator is identifying one or more of the RFP Bidder's Bids to the Commission as lowest-priced Bids, the RFP Bidder must provide all required information by 12 PM (noon) EPT on the business day after such notification is received.

The RFP Bidder either provides information needed to prepare the guaranty for execution by completing the Guaranty Insert prepared for this purpose or the RFP Bidder provides an acknowledgement from the Officer of the RFP Bidder that such information will be required if one or more of the RFP Bidder's Bids to the Commission as lowest-priced Bids by completing the Delay (Guaranty) Insert prepared for this purpose.

V.3.4. Enforceability Opinion for an Alternate Guaranty. The requirements of this Paragraph only apply to RFP Bidders that have obtained approval from PECO to use an alternate guaranty form under the Alternate Guaranty Process and that are not previously eligible. The Alternate Guaranty Process allows a supplier unable to use the Standard Guaranty provided as Appendix G to the Uniform SMA to submit for consideration by PECO the guaranty that the supplier uses in its normal course of business. Such a guaranty is called an "alternate guaranty form" and the process by which suppliers may obtain approval to use an alternate guaranty is described in Appendix 2. Such RFP Bidder must provide, with its Part 2 Proposal, an executed enforceability opinion for its approved alternate

guaranty form on the letterhead of a law firm of national standing by upload to the online Part 2 Form or by email at pecoprocurement@nera.com.

- V.3.5. All information required by this Section V.1 must be provided exclusively by completing Section 3 of the online Part 2 Form and the Inserts prepared for this purpose, as further explained in Article VII. Inserts and documents must be submitted by upload to the online Part 1 Form or sent by email to the Independent Evaluator at PECOProcurement@nera.com. An Insert that requires a signature will contain instructions describing the acceptable methods of completion and submission for that Insert and an RFP Bidder must follow such instructions.

V.4. RFP Bidders Relying on the Financial Standing of an RFP Principal

- V.4.1. The requirements of this Section V.4 apply only to RFP Bidders relying on the financial standing of an RFP Principal; other RFP Bidders are not subject to the requirements of this Section V.3.

- V.4.2. Officers' Certificate. Whether or not the RFP Bidder is previously eligible, an RFP Bidder submitting a Proposal under an Agency Agreement must submit an Officers' Certificate substantially in the form of Appendix 6 to these RFP Rules.

- The Officers' Certificate must be signed by an officer of each Principal.
- The Officers' Certificate states that: (i) the copy of the Agency Agreement submitted with the Part 1 Proposal is a true and complete copy of the Agency Agreement as currently in effect; (ii) the Agency Agreement is in full force and effect and shall remain in full force and effect for a period extending to six (6) business days following the Bid Date; (iii) there are no proceedings pending for the amendment or termination of the Agency Agreement; (iv) each individual who has executed the Officers' Certificate and the Agency Agreement is (or was at the time of the execution of such documents) authorized to execute and deliver such documents on behalf of the Principal(s); and (v) the Officer of the RFP Bidder is authorized to execute the Uniform SMA as well as any Transaction Confirmation pursuant to the Uniform SMA on behalf of the Principal(s).

- An Officers' Certificate submitted by a previously eligible RFP Bidder and that was previously acceptable to PECO will remain acceptable to PECO unless there has been a change in the circumstances of the RFP Bidder submitting a Proposal under an Agency Agreement.

Appendix 6 will contain instructions describing the acceptable methods of completion and submission an Officers' Certificate and an RFP Bidder must follow such instructions.

V.4.3. Signatory to the Uniform SMA. If an RFP Bidder is submitting a Proposal under an Agency Agreement and the Principal does not authorize the RFP Bidder to sign the Uniform SMA or to execute a Transaction Confirmation, such RFP Bidder must name a representative of the Principal who will be authorized to sign the Uniform SMA and all necessary exhibits should such RFP Bidder have lowest-priced Bids that are approved by the Commission as required by Section VII.3. The RFP Bidder must provide contact information for this individual (address, phone number, and email address). The RFP Bidder provides the information in the online Part 2 Form or by email at pecoprocurement@nera.com.

V.4.4. An RFP Bidder that relies on the financial standing of a Principal that is a Foreign Entity must also comply with requirements detailed in Paragraph V.5.4.

V.4.5. All information required by this Section V.1 must be provided exclusively by completing Section 4 of the online Part 2 Form and the Inserts prepared for this purpose, as further explained in Article VII. Inserts and documents must be submitted by upload to the online Part 1 Form or sent by email to the Independent Evaluator at PECOProcurement@nera.com. An Insert that requires a signature will contain instructions describing the acceptable methods of completion and submission for that Insert and an RFP Bidder must follow such instructions.

V.5. Foreign RFP Bidders and Foreign Entities

V.5.1. The requirements of this Section V.5 apply only to Foreign RFP Bidders, or to RFP Bidders that rely on the financial standing of a Foreign Entity as RFP Guarantor, or to RFP Bidders that submit a Proposal under an Agency Agreement with a Foreign Entity as Principal. Other RFP Bidders are not subject to the requirements of this Section V.5. An RFP Bidder fulfills the requirements by completing

the P2 Foreign Entity Insert prepared for this purpose and available on the Proposal submission website.

V.5.2. Required Documents for Foreign RFP Bidders. A Foreign RFP Bidder receives from the Independent Evaluator upon successfully completing the Part 1 Proposal a provisional assessment that presumes the receipt of the following fully executed additional documents: (i) a legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the Foreign RFP Bidder is incorporated or otherwise formed that the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the Foreign RFP Bidder in the jurisdiction in which it has been incorporated or otherwise formed; and (ii) the sworn certificate of the corporate secretary (or similar officer) of such Foreign RFP Bidder that the person executing the Uniform SMA on behalf of the Foreign RFP Bidder has the authority to execute the Uniform SMA and that the governing board of such Foreign RFP Bidder has approved the execution of the Uniform SMA; and (iii) the sworn certificate of the corporate secretary (or similar officer) of such Foreign RFP Bidder that the Foreign RFP Bidder has been authorized by its governing board to enter into agreements of the same type as the Uniform SMA. The Independent Evaluator will make available to RFP Bidders a sample of the legal opinion of outside counsel that is sufficient.

- If the Foreign RFP Bidder is not previously eligible, such RFP Bidder must submit these fully executed documents in a form acceptable to PECO for the Independent Evaluator to confirm the assessment provided with the Part 1 Notification. If the Foreign RFP Bidder submits these fully executed documents in a form acceptable to PECO, the Independent Evaluator includes in the Part 2 Notification a confirmation of the assessment provided with the Part 1 Notification. Otherwise, the Independent Evaluator provides with the Part 2 Notification a revised assessment that states either that the Foreign RFP Bidder is not granted unsecured credit or that the Foreign RFP Bidder is not eligible to continue further in the RFP.
- If the Foreign RFP Bidder is previously eligible and has previously submitted these additional documents in a form acceptable to PECO, such RFP Bidder either: (i) must confirm that these documents remain valid; or (ii) must update any document that failed to remain valid. The Independent Evaluator confirms the assessment in the Part 2 Notification if all required

documents are submitted and are acceptable to PECO. Otherwise, the Independent Evaluator provides with the Part 2 Notification a revised assessment that states either that the Foreign RFP Bidder is not granted unsecured credit or that the Foreign RFP Bidder is not eligible to continue further in the RFP.

V.5.3. Required Documents for RFP Bidders with a Foreign Entity as RFP Guarantor. An RFP Bidder that relies on the financial standing of a Foreign Entity as RFP Guarantor receives, with its Part 1 Notification, a provisional creditworthiness assessment for its RFP Guarantor that presumes the receipt of the following fully executed additional documents in a form acceptable to PECO: (i) a legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the RFP Guarantor is incorporated or otherwise formed that the guaranty pursuant to the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the RFP Guarantor in the jurisdiction in which it has been incorporated or otherwise formed; and (ii) the sworn certificate of the corporate secretary (or similar officer) of such RFP Guarantor that the person executing the guaranty pursuant to the Uniform SMA on behalf of the RFP Guarantor has the authority to execute the guaranty pursuant to the Uniform SMA and that the governing board of such RFP Guarantor has approved the execution of the guaranty pursuant to the Uniform SMA; and (iii) the sworn certificate of the corporate secretary (or similar officer) of such RFP Guarantor that the RFP Guarantor has been authorized by its governing board to enter into agreements of the same type as the guaranty pursuant to the Uniform SMA. The Independent Evaluator will make available to RFP Bidders a sample of the legal opinion of outside counsel that is sufficient for a Foreign Entity as RFP Guarantor.

- If such RFP Bidder is not previously eligible, such RFP Bidder must submit these fully executed documents in a form acceptable to PECO for the Independent Evaluator to confirm the creditworthiness assessment provided with the Part 1 Notification. If the RFP Bidder submits these fully executed documents and these documents are acceptable to PECO, the Independent Evaluator includes in the Part 2 Notification a confirmation of the creditworthiness assessment provided with the Part 1 Notification. If the RFP Bidder does not submit these documents, or if these documents are not acceptable to PECO, the Independent Evaluator provides with the Part 2 Notification a revised creditworthiness assessment that states that

the Foreign Entity as RFP Guarantor is not granted unsecured credit. The RFP Bidder may not rely on the financial standing of the RFP Guarantor. Any guaranty submitted in the Part 2 Proposal will be removed from consideration and the Independent Evaluator may request additional information regarding the RFP Bidder under Section IV.2.

- If such RFP Bidder is previously eligible and has submitted these additional documents in a form acceptable to PECO, such RFP Bidder either: (i) must confirm that these documents remain valid; or (ii) must update any document that failed to remain valid. The Independent Evaluator confirms the creditworthiness assessment provided with the Part 1 Notification if the RFP Bidder all required documents are submitted and are acceptable to PECO. Otherwise, the Independent Evaluator provides with the Part 2 Notification a revised creditworthiness assessment that states that the RFP Guarantor is not granted unsecured credit. The RFP Bidder may not rely on the financial standing of the RFP Guarantor. The Independent Evaluator may request additional information regarding the RFP Bidder under Section IV.2.

V.5.4. Required Documents for RFP Bidders submitting a Proposal under an Agency Agreement with a Foreign Entity as Principal. An RFP Bidder submitting a Proposal under an Agency Agreement with a Foreign Entity as Principal receives, with its Part 1 Notification, a provisional assessment that presumes the receipt of the following documents fully executed and acceptable to PECO: (i) a legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the Principal is incorporated or otherwise formed that the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the Principal in the jurisdiction in which it has been incorporated or otherwise formed; and (ii) the sworn certificate of the corporate secretary (or similar officer) of such Principal that the Principal has been authorized by its governing board to enter into agreements of the same type as the Uniform SMA. The Independent Evaluator will make available to RFP Bidders a sample of the legal opinion of outside counsel that is sufficient for a Foreign Entity as Principal.

- If such RFP Bidder is not previously eligible, such RFP Bidder must submit these fully executed documents in a form acceptable to PECO for the Independent Evaluator to confirm the assessment provided with the Part 1 Notification. If the RFP Bidder submits these fully

executed documents and these documents are acceptable to PECO, the Independent Evaluator includes in the Part 2 Notification a confirmation of the assessment provided with the Part 1 Notification. If the RFP Bidder does not submit these documents, or if these documents are not acceptable to PECO, the Independent Evaluator provides with the Part 2 Notification a revised assessment that either states that the RFP Bidder and the Foreign Entity as RFP Principal are not granted unsecured credit or that the RFP Bidder is not eligible for continue further in the RFP.

- If such RFP Bidder is previously eligible, such RFP Bidder either: (i) must confirm that these documents remain valid; or (ii) must update any document that failed to remain valid. The Independent Evaluator confirms the assessment provided with the Part 1 Notification if the RFP Bidder all required documents are submitted and are acceptable to PECO. Otherwise, the Independent Evaluator provides with the Part 2 Notification a revised assessment that states either that the RFP Bidder and the Foreign Entity as RFP Principal are not granted unsecured credit or that the RFP Bidder is not eligible to continue further in the RFP.

V.5.5. The information required by this Section V.5 must be provided exclusively by completing Section 5 of the online Part 2 Form, as further explained in Article VII. Documents must be submitted by upload to the online Part 2 Form or sent by email to the Independent Evaluator at pecoprocurement@nera.com. An Insert that requires a signature will contain instructions describing the acceptable methods of completion and submission for that Insert and an RFP Bidder must follow such instructions.

ARTICLE VI. Bid Submission

- VI.1.1. The Independent Evaluator prepares an electronic Bid Form for each RFP Bidder qualified pursuant to a successful Part 1 Proposal. If the RFP Bidder cannot bid on all tranches available of a product because of the Load Cap for the Class to which such product belongs and because of tranches previously won by the RFP Bidder, the Bid Form reflects that fact. The Independent Evaluator sends at the same time instructions for completion of the Bid Form, for the optional encryption of the Bid Form, for electronic transfer of the completed Bid Form to the Independent Evaluator, for an alternate submission method for Bids in case of technical difficulties with the electronic transfer, as well as information used for authenticating the Bids, including the RFP Bidder's unique username, password, and security codes. The Independent Evaluator transmits these materials, the "Part 1 Materials", within two (2) business days of the Part 1 Notification Date, by secure file transfer. The Independent Evaluator requires a confirmation of receipt of these materials in the online Part 2 Form.
- VI.1.2. The exclusive method for submitting an RFP Bidder's Bids is the Bid Form. An RFP Bidder must fill out all required information on the Bid Form according to the instructions provided by the Independent Evaluator. An RFP Bidder may, but is not required to, encrypt its Bid Form. Encryption provides an additional layer of protection for the confidentiality of the RFP Bidder's data. An RFP Bidder must submit the Bid Form to the Independent Evaluator through a secure file transfer system according to the instructions provided by the Independent Evaluator. An RFP Bidder must fill out contact information on its Bid Form and the Independent Evaluator will use that information to confirm receipt of the Bids. All instructions noted in this Paragraph are included in the Part 1 Materials.
- VI.1.3. In case of technical difficulties while using the secure file transfer system, the Independent Evaluator will instruct the RFP Bidder to email the Bid Form to the Independent Evaluator. The Independent Evaluator will recommend that the Bid Form in this case be encrypted and the Independent Evaluator will note for the RFP Bidder that such transmission may not be secure. An RFP Bidder that is not able to use the secure file transfer system must advise the Independent Evaluator of that fact by email

or text. The Independent Evaluator will provide additional instructions for such a contingency that will be included with the Part 1 Materials.

- VI.1.4. All Bid Forms must be received between 10 AM and 12 PM (noon) on the Bid Date. No late Bid Forms will be accepted regardless of the method used by the RFP Bidder to submit its Bid Form.
- VI.1.5. A Bid for a tranche for any product is a price in U.S. Dollars per MWh, and must be displayed in the format \$xx.xx or \$xxx.xx, rounded to the nearest cent. The number of tranches bid on a product is the number of tranches of that product for which a Bid is provided.
- VI.1.6. A Bid that is not expressed in dollars per MWh will automatically be rejected. A Bid that has more than two (2) decimals will be automatically rounded to the nearest cent.
- VI.1.7. The RFP Bidder may not bid on less than a full tranche for a product. The RFP Bidder may not bid on fractions, portions, or parts of tranches.
- VI.1.8. The RFP Bidder may not submit any additional instructions, contingencies, or conditions on its Bids. Any such additional instructions, contingencies, or conditions will be ignored.
- VI.1.9. An RFP Bidder may not submit Bids that exceed the Load Caps and the Bid Form will include guidance for the RFP Bidder so that the RFP Bidder submits Bids that conform with the Load Caps. The Load Caps are described in Paragraph I.2.11.
- VI.1.10. The number of tranches bid for an RFP Bidder may not exceed the number of tranches supported by the Pre-Bid Letter of Credit. The amount of the Pre-Bid Letter of Credit is described in Paragraph V.2.1. The procedure used by the Independent Evaluator to modify the Bid Form is described in Paragraph VII.2.10.
- VI.1.11. Bids are evaluated on a price-only basis, in accordance with the process described in Section VII.2.

ARTICLE VII. Process

VII.1. Part 1 and Part 2 Proposals: Submission and Processing

- VII.1.1. The Independent Evaluator, for the purposes of this RFP, transmits all communications to the “Bidder Team” consisting of the Representative of the RFP Bidder and any Nominees. The Representative or the Officer of the RFP Bidder may designate up to three (3) Nominees.
- VII.1.2. Any notification or written communication will be deemed received by the RFP Bidder at the time of delivery or transmission, provided that when delivery or transmission occurs after 6 PM on a business day or occurs on a day that is not a business day, receipt will be deemed to occur at 9 AM on the following business day.
- VII.1.3. The exclusive method of responding to the qualification standards for the Part 1 Proposal listed in Article IV of these RFP Rules is the use of the online Part 1 Form. RFP Bidders that did not qualify in a previous solicitation under DSP VI must use the Standard Part 1 Form to respond to the qualification standards described in Article IV. Previously qualified RFP Bidders may participate in an abbreviated Part 1 Proposal process by using the Short Part 1 Form. The generic term “Part 1 Form” refers either to the Standard Part 1 Form or to the Short Part 1 Form. Responses to the qualification standards of Article IV that do not use the online Part 1 Form will not be considered and the Part 1 Proposal will be considered deficient.
- VII.1.4. An RFP Bidder must provide contact information for the RFP Bidder, name an Officer of the RFP Bidder who designates a Representative of the RFP Bidder and make general representations as required by Section IV.1, exclusively by completing Section 1 of the online Part 1 Form. An RFP Bidder must show compliance with the financial requirements of Section IV.2 exclusively by completing Section 2 of the online Part 1 Form and by providing all documents supporting the financial information and credit information as requested in that Section of the online Part 1 Form. The RFP Bidder is asked to provide all information to prepare the Uniform SMA, as required by Section IV.3 exclusively by completing Section 3 of the online Part 1 Form. The RFP Bidder must show that it has all regulatory authorizations necessary for it to legally perform its obligations under the Uniform SMA and the Transaction Confirmations as required by Section IV.4, exclusively by

completing Section 4 of the online Part 1 Form. A Foreign RFP Bidder that seeks to be granted unsecured credit under the terms of the Uniform SMA, or an RFP Bidder relying on the financial standing of a Foreign Entity, either an RFP Guarantor or a Principal, must provide any additional information required by Section IV.5, exclusively by completing Section 5 of the Part 1 Form.

- VII.1.5. The Part 1 Proposal for an RFP Bidder includes the completed Part 1 Form as well Inserts to the Part 1 Form available as separate Word Forms on the Proposal submission website or from the Independent Evaluator. Documents (supporting documents, draft Letter of Credit and draft Standard Guaranty) may be uploaded to the Proposal submission website or sent to the Independent Evaluator by email at PECOProcurement@nera.com. An Insert to the Part 1 Form that does not require a signature may be uploaded to the Proposal submission website or sent to the Independent Evaluator by email at PECOProcurement@nera.com. An Insert to the Part 1 Form that requires a signature will contain instructions describing the acceptable methods of completion and submission for that Insert and an RFP Bidder must follow such instructions. Responses to the qualification standards of Article IV that do not use the online Part 1 Form and the Inserts prepared for this purpose will not be considered and the part 1 Proposal will be considered deficient. No late Part 1 Proposals will be accepted under any circumstances.
- VII.1.6. The Independent Evaluator considers and processes the Part 1 Proposals during the Part 1 Window. When a Part 1 Proposal is received, the Independent Evaluator sends an acknowledgment to the RFP Bidder by email. The Independent Evaluator only processes Part 1 Proposals during the Part 1 Window and, if the Part 1 Proposal is received before the Part 1 Window opens, the Independent Evaluator confirms receipt no later than on the first day of the Part 1 Window.
- VII.1.7. If the Part 1 Proposal is received before 12 PM (noon) on any business day during the Part 1 Window, the Independent Evaluator sends the acknowledgment confirming receipt on the day the Part 1 Proposal is received with the results of an initial review. The initial review states either that the Part 1 Proposal is complete and is being considered, or the initial review lists items of the Part 1 Proposal that are deficient or require clarification. If a Part 1 Proposal is received after 12 PM (noon) on any business day during the Part 1 Window prior to the Part 1 Date, the Independent Evaluator sends the

acknowledgment along with the initial review by 12 PM (noon) of the next business day. The Independent Evaluator sends such acknowledgments to the RFP Bidder by email.

- VII.1.8. An RFP Bidder that submits a Draft Pre-Bid Letter of Credit will receive a review of any proposed modifications within two (2) business days. The Independent Evaluator sends such review by email. The RFP Bidder can only submit one (1) Draft Pre-Bid Letter of Credit. Any review communicated to the RFP Bidder of the Draft Pre-Bid Letter of Credit is final. The RFP Bidder cannot submit a subsequent request for changes on the basis of this review. All modifications accepted to the Standard Pre-Bid Letter of Credit for the benefit of a single RFP Bidder will be made available to all RFP Bidders on an optional basis. All such modifications will be posted in a single document on the RFP website that will be updated daily during the Part 1 Window. By 12 PM (noon) on the day the Part 2 Window opens, the final document containing all accepted modifications will be posted.
- VII.1.9. An RFP Bidder that submits a Draft Post-Bid Letter of Credit will receive a review of any proposed modifications within seven (7) business days. The Independent Evaluator sends such review by email. The RFP Bidder can only submit one (1) Draft Post-Bid Letter of Credit. Any review communicated to the RFP Bidder of the Draft Post-Bid Letter of Credit is final. The RFP Bidder cannot submit a subsequent request for changes on the basis of this review. All modifications accepted to the Standard Post-Bid Letter of Credit for the benefit of a single RFP Bidder will be made available to all RFP Bidders on an optional basis. All such modifications will be posted in a single document on the RFP website that will be posted no later than 6 PM on the Part 2 Date.
- VII.1.10. An RFP Bidder that submits a Draft Standard Guaranty will receive a review of any proposed modifications within two (2) business days. The Independent Evaluator sends such review by email. The RFP Bidder can only submit one (1) Draft Standard Guaranty. Any review communicated to the RFP Bidder of the Draft Standard Guaranty is final. The RFP Bidder cannot submit a subsequent request for changes on the basis of this review. All modifications accepted to the Standard Guaranty for the benefit of a single RFP Bidder will be made available to all RFP Bidders on an optional basis. All such modifications will be posted in a single document on the RFP website that will be updated daily during the Part 1 Window. By 12 PM (noon) on the day the Part 2 Window opens, the final document containing all accepted modifications will be posted.

- VII.1.11. An RFP Bidder submitting a Proposal under an Agency Agreement that submits a Draft Officers' Certificate will receive an evaluation of this document by the Part 1 Notification Date. The Independent Evaluator sends such review by email. Any evaluation communicated to the RFP Bidder of the Draft Officers' Certificate is final. The RFP Bidder cannot submit a subsequent request for changes on the basis of this evaluation.
- VII.1.12. A Foreign RFP Bidder that submits a draft of any of the documents described in Paragraph IV.5.2 will receive an evaluation of these documents by the Part 1 Notification Date. The Independent Evaluator sends such review by email. Any evaluation communicated to the RFP Bidder of such draft documents is final. The RFP Bidder cannot submit a subsequent request for changes on the basis of this evaluation.
- VII.1.13. An RFP Bidder that relies on the financial standing of a Foreign Entity as RFP Guarantor and that submits a draft of any of the documents described in Paragraph IV.5.3 will receive an evaluation of these documents by the Part 1 Notification Date. The Independent Evaluator sends such review by email. Any evaluation communicated to the RFP Bidder of such draft documents is final. The RFP Bidder cannot submit a subsequent request for changes on the basis of this evaluation.
- VII.1.14. An RFP Bidder submitting a Proposal under an Agency Agreement that relies on the financial standing of a Foreign Entity as Principal and that submits a draft of any of the documents described in Paragraph IV.5.4 will receive an evaluation of these documents by the Part 1 Notification Date. The Independent Evaluator sends such review by email. Any evaluation communicated to the RFP Bidder of such draft documents is final. The RFP Bidder cannot submit a subsequent request for changes on the basis of this evaluation.
- VII.1.15. The RFP Bidder includes, in its Part 1 Proposal, a certification from the Officer of the RFP Bidder that the RFP Bidder is bidding independently and is not acting in concert with another RFP Bidder. The Independent Evaluator may request additional information to ascertain that the RFP Bidder is bidding independently of other RFP Bidders. An RFP Bidder that is not bidding independently of another RFP Bidder may fail to qualify.
- VII.1.16. If an RFP Bidder receives any notice from the Independent Evaluator that any item of the Part 1 Proposal is deficient or requires clarification, the RFP Bidder has until 12 PM (noon) on the Part 1

Date, or until 6 PM on the business day following the business day during which the Independent Evaluator transmits such notice, whichever comes later, to respond. If the RFP Bidder does not correct or adequately explain the deficiency within the time allowed, the Part 1 Proposal may be rejected. The Independent Evaluator sends such notice to the RFP Bidder by email.

- VII.1.17. An RFP Bidder meets the qualification standards of this RFP if its Part 1 Proposal is received on or before 12 PM (noon) on the Part 1 Date, if its Part 1 Proposal is complete, and if its Part 1 Proposal fully complies with all requirements of Article IV.
- VII.1.18. The Independent Evaluator informs each RFP Bidder of whether it has met all qualification standards of Article IV through a Part 1 Notification that the Independent Evaluators sends no later than 6 PM on the Part 1 Notification Date.
- VII.1.19. If the RFP Bidder has a successful Part 1 Proposal, within two (2) business days of the Part 1 Notification Date, the Independent Evaluator transmits to the RFP Bidder a number of documents and instructions, called the Part 1 Materials. The Part 1 Materials include: (i) the Bid Form; (ii) instructions for filling out and optionally encrypting the Bid Form; (iii) instructions for the submission of the completed Bid Form from the RFP Bidder to the Independent Evaluator by secure file transfer system; (iv) instructions for an alternate method for submission of the Bids in case of technical difficulties with the secure file transfer system; (v) an invitation to a training session on the Bid submission process; and (vi) a username, a password, and security codes to be used for Bid submission uniquely by that RFP Bidder. The Part 1 Materials may also include other training materials or important notifications to RFP Bidders. The Independent Evaluator transmits the Part 1 Materials by secure file transfer. However, if special circumstances warrant, the Independent Evaluator may transmit by email a particular document needed for participation in a solicitation upon agreement by the RFP Bidder.
- VII.1.20. The Independent Evaluator requires an acknowledgment from the RFP Bidder that the RFP Bidder has received intact the information necessary to submit Bids and that no one but authorized personnel of the RFP Bidder has had access to this information. The RFP Bidder may make this acknowledgment by email. The RFP Bidder's Bids are only evaluated if this acknowledgment is received.

- VII.1.21. The exclusive method of responding to the requirements for Part 2 Proposals listed in Article V of these RFP Rules is the use of the online Part 2 Form. Responses to the requirements of Article V that do not use the online Part 2 Form will not be considered and the Part 2 Proposal will be considered deficient.
- VII.1.22. An RFP Bidder must confirm its contact information and make any general representations required by Section V.1 exclusively by completing Section 1 of the online Part 2 Form. An RFP Bidder must submit the Pre-Bid Letter of Credit as required by Section V.2 and as instructed in Section 2 of the online Part 2 Form. An RFP Bidder relying on the financial standing of an RFP Guarantor will provide intent to provide a guaranty from its RFP Guarantor and an RFP Bidder submitting a Proposal under an Agency Agreement must submit additional documents as required by Section V.3 exclusively by completing Section 3 of the online Part 2 Form. A Foreign RFP Bidder that seeks to be granted unsecured credit under the terms of the Uniform SMA, or an RFP Bidder that seeks to rely on the financial standing of a Foreign Entity (either an RFP Guarantor or a Principal), must submit any additional documents as required by Section V.4 and as instructed by Section 4 of the online Part 2 Form.
- VII.1.23. The Part 2 Proposal consists of the completed online Part 2 Form, the Pre-Bid Letter of Credit, as well as Inserts to the Part 1 Form available as separate Word Forms on the Proposal submission website or from the Independent Evaluator. The Pre-Bid Letter of Credit must be submitted as an electronic PDF file via electronic means only to the Independent Evaluator at pecoprocurement@nera.com. An Insert to the Part 2 Form that does not require a signature may be uploaded to the Proposal submission website or sent to the Independent Evaluator by email at PECOProcurement@nera.com. An Insert to the Part 2 Form that requires a signature will contain instructions describing the acceptable methods of completion and submission for that Insert and an RFP Bidder must follow such instructions. Any other documents, excluding Inserts and the Pre-Bid Letter of Credit, may be uploaded to the Proposal submission website or sent to the Independent Evaluator by email at PECOProcurement@nera.com. In particular:

- For an RFP Bidder relying on the financial standing of an RFP Guarantor and that is not a Default Supplier, the Part 2 Proposal also includes an acknowledgment from a representative of the RFP Guarantor.
- For an RFP Bidder submitting a Proposal under an Agency Agreement, the Part 2 Proposal also includes an executed Officers' Certificate.
- For an RFP Bidder that: (i) is submitting a Proposal under an Agency Agreement and relying on the financial standing of a Foreign Entity as Principal; or (ii) is a Foreign RFP Bidder; or (iii) relies on the financial standing of a Foreign Entity as RFP Guarantor; the Part 2 proposal also includes any documents required by Section V.4 as a condition of being granted unsecured credit. These documents may include an executed legal opinion of outside counsel and a sworn certificate of the corporate secretary.

VII.1.24. The Independent Evaluator considers and processes the Part 2 Proposals during the Part 2 Window. No late Part 2 Proposals will be accepted under any circumstances. RFP Bidders also have the option to submit the certifications required by the online Part 2 Form during the Part 1 Window for early processing. When a Part 2 Proposal is received, the Independent Evaluator sends an acknowledgment to the RFP Bidder by email. The Independent Evaluator confirms receipt as long as the Part 2 Proposal is received after the opening of the Part 1 Window. However, Part 2 Proposals are only processed during the Part 2 Window (with the exception of certifications, which may be processed during the Part 1 Window).

VII.1.25. If the Part 2 Proposal is received before 12 PM (noon) on any business day after the opening of the Part 1 Window, the Independent Evaluator sends the acknowledgment confirming receipt on the day the Part 2 Proposal is received with the results of an initial review. The initial review states either that the Part 2 Proposal is complete and is being considered, or the initial review lists items of the Part 2 Proposal that are deficient or require clarification. If a Part 2 Proposal is received after 12 PM (noon) on any business day during the Part 2 Window prior to the Part 2 Date, the Independent Evaluator sends the acknowledgment along with the initial review by 12 PM (noon) of the next business day. The Independent Evaluator sends such acknowledgments by email.

- VII.1.26. An RFP Bidder's Part 2 Proposal is automatically deficient if the Pre-Bid Letter of Credit proposes or includes modifications to the Standard Pre-Bid Letter of Credit included as Appendix 9 of these RFP Rules other than those accepted modifications posted in a single document on the RFP website. If an RFP Bidder receives notice from the Independent Evaluator that its Pre-Bid Letter of Credit is deficient, the RFP Bidder has until 12 PM (noon) on the Part 2 Date, or until 6 PM on the second business day following the business day during which such a notice is sent to the RFP Bidder, whichever comes later, to respond. The Independent Evaluator sends such notices by email.
- VII.1.27. The amount of the Pre-Bid Letter of Credit must be at least \$250,000 per tranche bid on products for full requirements service on a fixed-price basis, plus \$125,000 per tranche bid on the CCI product for full requirements service on a spot-price basis (if applicable). The Indicative Amount for RFP Bidders that rely on the financial standing of an RFP Guarantor and that do not hold a current Uniform SMA with PECO must be equal or exceed \$600,000 per tranche bid on products for full requirements service on a fixed-price basis, plus \$300,000 per tranche bid on a CCI product for full requirements service on a spot-price basis (if applicable). An RFP Bidder's Part 2 Proposal is automatically deficient if the amount of the Pre-Bid Letter of Credit is not consistent with the Indicative Amount of the Guaranty provided in the Part 2 Form. If an RFP Bidder receives notice from the Independent Evaluator that its Part 2 Proposal is deficient in this regard, the RFP Bidder has until 12 PM (noon) on the Part 2 Date, or until 6 PM on the second business day following the business day during which such a notice is sent to the RFP Bidder, whichever comes later, to respond. The Independent Evaluator provides such notice to the RFP Bidder by email.
- VII.1.28. For an RFP Bidder that received approval from PECO to use an alternate guaranty form through the Alternate Guaranty Process, PECO and the Independent Evaluator will determine whether the enforceability opinion required under Paragraph V.3.3 is acceptable to PECO, without any liability or obligation to the RFP Bidder or the RFP Guarantor. If the document is not acceptable to PECO and the RFP Bidder receives notice from the Independent Evaluator that its Part 2 Proposal is deficient in this regard, the RFP Bidder has until 12 PM (noon) on the Part 2 Date, or until 6 PM on the second business day following the business day during which such a notice is sent to the RFP Bidder, whichever comes later, to respond. If the document remains insufficient, the RFP Bidder's Part 2

Proposal may be rejected. The Independent Evaluator provides such notice to the RFP Bidder by email.

- VII.1.29. For an RFP Bidder submitting a Proposal under an Agency Agreement that provides the documents required under Section V.4, PECO and the Independent Evaluator will determine whether the documents provided are sufficient, without any liability or obligation to the RFP Bidder or its Principal(s). If the documents are insufficient and the RFP Bidder receives notice from the Independent Evaluator that its Part 2 Proposal is deficient in this regard, the RFP Bidder has until 12 PM (noon) on the Part 2 Date, or until 6 PM on the second business day following the business day during which such a notice is sent to the RFP Bidder, whichever comes later, to respond. If the documents remain insufficient, the RFP Bidder's Part 2 Proposal may be rejected. The Independent Evaluator provides such notice to the RFP Bidder by email.
- VII.1.30. For a Foreign RFP Bidder that submits the documents required under Paragraph V.5.2, PECO and the Independent Evaluator will determine whether the documents provided are acceptable to PECO, without any liability or obligation to the Foreign RFP Bidder. If the documents are not acceptable to PECO and the RFP Bidder receives notice from the Independent Evaluator that its Part 2 Proposal is deficient in this regard, the RFP Bidder has until 12 PM (noon) on the Part 2 Date, or until 6 PM on the second business day following the business day during which such a notice is sent to the RFP Bidder, whichever comes later, to respond. If the deficiency remains, the Independent Evaluator provides with the Part 2 Notification a revised assessment that states either that the Foreign RFP Bidder is not granted unsecured credit or that the Foreign RFP Bidder is not eligible to continue further in the RFP. If the Foreign RFP Bidder had submitted these documents with its Part 1 Proposal for evaluation and if the Foreign RFP Bidder conforms the documents submitted with the Part 2 Proposal to the evaluation provided with its Part 1 Notification, then these documents will automatically be considered acceptable to PECO. The Independent Evaluator provides such notices to the RFP Bidder by email.
- VII.1.31. For an RFP Bidder relying on the financial standing of a Foreign Entity as RFP Guarantor and that submits the documents required under Paragraph V.5.3, PECO and the Independent Evaluator will determine whether the documents provided are acceptable to PECO, without any liability or

obligation to the RFP Bidder or the RFP Guarantor. If the documents are acceptable to PECO and the RFP Bidder receives notice from the Independent Evaluator that its Part 2 Proposal is deficient in this regard, the RFP Bidder has until 12 PM (noon) on the Part 2 Date, or until 6 PM on the second business day following the business day during which such a notice is sent to the RFP Bidder, whichever comes later, to respond. If the deficiency remains, the RFP Bidder the Independent Evaluator provides with the Part 2 Notification a revised creditworthiness assessment that states that the RFP Guarantor is not granted unsecured credit. The RFP Bidder may not rely on the financial standing of the RFP Guarantor and the Independent Evaluator may request additional information regarding the RFP Bidder under Section IV.2. If the RFP Bidder had submitted these documents with its Part 1 Proposal for evaluation and if the RFP Bidder conforms the documents submitted with the Part 2 Proposal to the evaluation provided with its Part 1 Notification, then these documents will automatically be considered acceptable to PECO. The Independent Evaluator provides such notices to the RFP Bidder by email.

VII.1.32. For an RFP Bidder relying on a Foreign Entity as Principal that provides the documents required under Paragraph V.5.4, PECO and the Independent Evaluator will determine whether the documents provided are acceptable to PECO, without any liability or obligation to the RFP Bidder or its Principal(s). If the documents are not acceptable to PECO and the RFP Bidder receives notice from the Independent Evaluator that its Part 2 Proposal is deficient in this regard, the RFP Bidder has until 12 PM (noon) on the Part 2 Date, or until 6 PM on the second business day following the business day during which such a notice is sent to the RFP Bidder, whichever comes later, to respond. If the deficiency remains, the Independent Evaluator provides with the Part 2 Notification a revised creditworthiness assessment that states that the RFP Bidder and its Principal are not granted unsecured credit. If the RFP Bidder had submitted these documents with its Part 1 Proposal for evaluation and if the RFP Bidder conforms the documents submitted with the Part 2 Proposal to the evaluation provided with its Part 1 Notification, then these documents will automatically be considered acceptable to PECO. The Independent Evaluator provides such notices to the RFP Bidder by email.

- VII.1.33. With the exceptions noted in the Paragraphs of this section, if an RFP Bidder receives any notice from the Independent Evaluator that an item of the Part 2 Proposal is deficient or requires clarification, the RFP Bidder has until 12 PM (noon) on the Part 2 Date, or until 6 PM on the business day following the business day during which such a notice is sent to the RFP Bidder, whichever comes later, to respond. If the RFP Bidder does not correct or adequately explain the deficiency within the time allowed, the Part 2 Proposal may be rejected. The Independent Evaluator sends such notice to the RFP Bidder by email.
- VII.1.34. An RFP Bidder's Part 2 Proposal is successful if its Part 2 Proposal is received on or before 12 PM (noon) on the Part 2 Date, if its Part 2 Proposal is complete, and if its Part 2 Proposal fully complies with the requirements of Article V of these RFP Rules.
- VII.1.35. An RFP Bidder that submits a Part 2 Proposal will be notified whether it is eligible to submit Bids no later than 6 PM on the Part 2 Notification Date. The Independent Evaluator provides such notification to the RFP Bidder by email.

VII.2. Bids: Submission, Processing, and Evaluation

- VII.2.1. An RFP Bidder must submit its Bids in accordance with the instructions provided in the Part 1 Materials and in accordance with the requirements of Article VI. An RFP Bidder's Bids must be received between 10 AM and 12 PM (noon) on the Bid Date. The requirements for Bid submission are the same for all RFP Bidders, regardless of whether they were previously eligible to submit Bids.
- VII.2.2. The Bid Form, as provided to each RFP Bidder with the Part 1 Notification, is the exclusive method for the submission of Bids. A sample of the Bid Form is provided for illustrative purposes as Appendix 10 of these RFP Rules. The Bid Form is prepared specifically for each RFP Bidder. The Bid Form must be filled out completely and transferred according to the instructions provided by the Independent Evaluator in the Part 1 Materials. The RFP Bidder may encrypt the Bid Form using the instructions provided by the Independent Evaluator. Bids on any Bid Form that is incompletely or inconsistently filled out will be considered deficient and will not be evaluated.
- VII.2.3. An RFP Bidder submits its Bids electronically, by transferring its Bid Form through a secure file transfer system. The RFP Bidder must use the username and the password provided by the

Independent Evaluator to access the secure file transfer system. The Independent Evaluator supplies a security code that the RFP Bidder may use to encrypt the Bid Form.

- VII.2.4. An RFP Bidder that must resort to an alternate method for submitting its Bid Form by email because of technical difficulties with the secure file transfer system must follow the instructions provided by the Independent Evaluator for this contingency. These instructions will include a representative of the RFP Bidder emailing or texting the Independent Evaluator to advise the Independent Evaluator of the use of an alternate method for the submission of the Bid Form. The Independent Evaluator will recommend that the Bid Form in this case be encrypted and the Independent Evaluator will note for the RFP Bidder that such transmission may not be secure.
- VII.2.5. All Bid Forms must be received between 10 AM and 12 PM (noon) on the Bid Date. No late Bid Forms will be considered regardless of the method used by the RFP Bidder to submit its Bid Form.
- VII.2.6. If an RFP Bidder submits its Bid Form more than once between 10 AM and 12 PM (noon) on the Bid Date, the last Bid Form submitted in accordance with all requirements of the Bid Form and of Article VI automatically supersedes all previously submitted Bid Form(s).
- VII.2.7. The Independent Evaluator acknowledges receipt of the Bid Form with each RFP Bidder by telephone. The telephone number used is the telephone number provided on the Bid Form. If the Bid Form received by the Independent Evaluator is not encrypted by the RFP Bidder, the Independent Evaluator will require that the RFP Bidder provide the security code to the Independent Evaluator before the Bid Form is acknowledged and evaluated. The Independent Evaluator makes this acknowledgment within thirty (30) minutes of receipt of the Bid Form. An RFP Bidder that does not receive an acknowledgment within thirty (30) minutes of submitting its Bid Form should assume technical difficulties, should proceed to submitting its Bid Form by an alternate method, and should email or text the Independent Evaluator immediately. RFP Bidders may email the Independent Evaluator at pecoprocurement@nera.com to ask for confirmation of receipt of the Bid Form.
- VII.2.8. If the Bid Form received by the Independent Evaluator is incomplete or inconsistent with all requirements of the Bid Form and of Article VI, the Independent Evaluator will advise the RFP Bidder of that fact when confirming receipt of the Bid Form. In the case where the Independent Evaluator provides the evaluation of a Bid Form with at least ten minutes left in the Bid Window for that Bid

Form, if the Bid Form is incomplete or inconsistent with the RFP Rules, or if the Pre-Bid Letter of Credit is insufficient to support the number of tranches bid by the RFP Bidder, then the RFP Bidder may correct and resubmit that Bid Form as long as it is received between 10 AM and 12 PM (noon) on the Bid Date. In the case where the Independent Evaluator provides the evaluation of a Bid Form with less than ten minutes left in the Bid Window, or after the Bid Window has closed, the following will apply. If the Bid Form is incomplete or inconsistent with the RFP Rules, or if the Pre-Bid Letter of Credit is insufficient to support the number of tranches bid by the RFP Bidder, the RFP Bidder will have ten minutes to resubmit the Bid Form strictly for the purpose of addressing the deficiencies identified by the Independent Evaluator. Only one such resubmission will be considered. The Independent Evaluator will reject a resubmitted Bid Form that modifies Bids that were consistent with the RFP Rules as originally submitted.

- VII.2.9. It is the responsibility of the RFP Bidder to ensure that a completely and consistently filled out Bid Form is submitted between 10 AM and 12 PM (noon) on the Bid Date. The Independent Evaluator will hold a training session for RFP Bidders to practice the Bid submission process. RFP Bidders are encouraged to participate to minimize the possibility of technical difficulties with the submission of their Bid Forms.
- VII.2.10. The Independent Evaluator will verify that the Pre-Bid Letter of Credit is in an amount sufficient to support the number of tranches bid by each RFP Bidder. If an RFP Bidder's Pre-Bid Letter of Credit is insufficient to support the number of tranches bid by the RFP Bidder, the Independent Evaluator will contact the RFP Bidder on a best efforts basis. The RFP Bidder may correct and resubmit the Bid Form in accordance with paragraph VII.2.8. If the Independent Evaluator is not able to contact the RFP Bidder in time or if the RFP Bidder has not submitted a revised Bid Form in accordance with paragraph VII.2.8, the Independent Evaluator will modify the Bid Form. The Independent Evaluator will determine for such RFP Bidder the greatest number of whole tranches that its Pre-Bid Letter of Credit is sufficient to support. The Independent Evaluator will strike a Bid from a Bid Form for any tranche that is not supported by the Pre-Bid Letter of Credit. The Independent Evaluator will remove a Bid first from the product where there is most competition, as measured by the ratio of the number of tranches bid to the number of tranches needed. For that product, the Independent Evaluator will

start with the tranche that has the highest Bid. If more than one RFP Bidder submitted Pre-Bid Letters of Credit that are insufficient to support the number of tranches bid by each such RFP Bidder, the Independent Evaluator will first modify the Bid Form from the RFP Bidder whose Bid Form is received last.

- VII.2.11. By submitting a Proposal in response to an RFP, each RFP Bidder is authorizing the Independent Evaluator to modify the RFP Bidder's Bid Form as specified Paragraph VII.2.10. Each RFP Bidder acknowledges and accepts that the methodology may result in removal of a Bid that would have been approved by the Commission or the retention of a Bid that was not approved by the Commission.
- VII.2.12. The Bids supported by an adequate Pre-Bid Letter of Credit will be evaluated on a price-only basis. The Bids for each product will be ranked from lowest to highest price until all Bids are ranked or until the number of Bids that are ranked equals the number of tranches available for the product.
- VII.2.13. If two or more RFP Bidders submit Bids that are identical for a product, these Bids will be considered "Tied Bids" at that price. The Independent Evaluator will use the tie-breaking procedure described in the next Paragraph if: i) in total, more Bids must be ranked for a product than there are tranches available for that product; ii) the tie among two or more Tied Bids must be broken in order to determine the RFP Bidders that have submitted the lowest Bids on that product.
- VII.2.14. The tie-breaking procedure will award tranches in the following order: (1) to the RFP Bidder which, if awarded the tranche, would hold the fewest tranches for the product for any one month during the product term; (2) to the RFP Bidder which, if awarded the tranche, would hold the fewest tranches for the Class in question for any one month during the product term, including tranches won for the Class in prior solicitations; and then (3) to the RFP Bidder which, if awarded the tranche, would hold the fewest tranches in aggregate for any one month during the product term, including tranches won for the Class in prior solicitations. If a tie were to remain, it would be broken by random selection.
- VII.2.15. An RFP Bidder acting in concert with another RFP Bidder may be disqualified by the Independent Evaluator on behalf of the Company in its sole and exclusive discretion. The RFP Bidder will be considered to have made a material misrepresentation in its Part 2 Proposal and payment under the Pre-Bid Letter of Credit can be demanded by PECO.

VII.3. Post-Bid Process

- VII.3.1. The Independent Evaluator phones each RFP Bidder that has submitted Bids by 3 PM on the Bid Date and identifies the RFP Bidder's Bids that are provided to the Commission as lowest-priced Bids. The Independent Evaluator also provides a notification to the RFP Bidder by email.
- VII.3.2. An RFP Bidder that: (i) is not a Default Supplier; and (ii) has Bids that are identified to the Commission as lowest-priced Bids; and (iii) did not provide the necessary information to prepare the Uniform SMA with the Part 1 Proposal, will receive a notification from the Independent Evaluator on the Bid Date. This notification will require that such RFP Bidder provide all information needed to prepare the Uniform SMA by 12 PM (noon) on the next day. The Independent Evaluator uses this information to prepare the Uniform SMA for each such RFP Bidder.
- VII.3.3. An RFP Bidder that: (i) relies on the financial standing of an RFP Guarantor; (ii) has Bids that are identified to the Commission as lowest-priced Bids; and (iii) did not provide the information necessary to prepare the guaranty with the Part 1 Proposal will receive a notification from the Independent Evaluator on the Bid Date. This notification will require that such RFP Bidder provide all information needed to prepare the guaranty by 12 PM (noon) on the next day. The Independent Evaluator uses this information to prepare the guaranty for each such RFP Bidder.
- VII.3.4. The Independent Evaluator presents the results of the solicitation to the Commission on the business day after the Bid Date in a confidential report. This confidential report will include the lowest-priced Bids identified during the evaluation.
- VII.3.5. The Commission will have one (1) business day to consider the report of the Independent Evaluator and to approve or reject each of the lowest-priced Bids. If the Commission does not act within one (1) business day, the lowest-priced Bids are deemed to be approved.
- VII.3.6. For each product, a Default Supplier will be paid a supplier-specific price for each MWh of electric load served as specified in the Transaction Confirmation for that product. The supplier-specific price will be the average of approved Bids for that product and that Default Supplier.
- VII.3.7. The winning RFP Bidders and PECO must execute the Transaction Confirmations and Uniform SMAs (if applicable) within five (5) business days of the Bid Date.

- VII.3.8. PECO can collect on the Pre-Bid Letter of Credit if a winning RFP Bidder does not execute the Uniform SMA and all Transaction Confirmations, or if the winning RFP Bidder does not fulfill the creditworthiness requirements in the required timeframe.
- VII.3.9. On the day that the Commission approves some or all of the lowest-priced Bids, the Independent Evaluator notifies all RFP Bidders that have lowest-priced Bids. Such RFP Bidders are called Default Suppliers. When referring specifically to RFP Bidders that are not already Default Suppliers, the term New Default Suppliers will be used. When referring specifically to RFP Bidders that are already Default Suppliers, the term Existing Default Suppliers will be used.
- VII.3.10. On the day the Commission approves some or all of the lowest-priced Bids, the Independent Evaluator provides to PECO the name of each Default Supplier, the number of tranches won by each Default Supplier, and the Default Supplier's price for each product. The price for each such Default Supplier and for a given product is the average of the Default Supplier's approved Bids for that product in this solicitation.
- VII.3.11. On the day the Commission approves some or all of the lowest-priced Bids, the Independent Evaluator sends to PECO by secure file transfer the Uniform SMA, including all Exhibits, for each New Default Supplier. On the same day, the Independent Evaluator sends to PECO by secure file transfer the guaranty for each New Default Supplier relying on the financial standing of an RFP Guarantor. The Independent Evaluator also sends to PECO by secure file transfer the most current contact information that the Independent Evaluator has for each Default Supplier.
- VII.3.12. On the business day following the Commission approval of some or all of the lowest-priced Bids, PECO prepares a Transaction Confirmation (Exhibit 1 of the Uniform SMA) for each product and Default Supplier. PECO partially executes each Transaction Confirmation for each Default Supplier and each product using a digital signature. PECO also partially executes the Uniform SMA with each New Default Supplier using a digital signature.
- VII.3.13. By 12PM on the second business day following the Commission approval of some or all of the lowest-priced Bids, PECO sends by email:
- An electronic version of the Uniform SMA, including all Exhibits, to each New Default Supplier;

- An electronic version of the partially executed Transaction Confirmation to each Default Supplier for each product for which the Default Supplier has won tranches; and
- An electronic version of the guaranty to each New Default Supplier relying on the financial standing of an RFP Guarantor.

PECO also informs each Default Supplier of its specific creditworthiness requirements. No hardcopy versions will be provided by overnight delivery service.

VII.3.14. By 2PM on the third business day following Commission approval of some or all of the lowest-priced Bids:

- Each New Default Supplier partially executes the Uniform SMA, including signing Exhibit 3 and the PJM Declaration of Authority, using a digital signature and returns an electronic version to PECO by email;
- Each Default Supplier partially executes the Transaction Confirmation(s) using a digital signature and returns an electronic version to PECO by email; and
- Each New Default Supplier relying on the financial standing of an RFP Guarantor executes the guaranty using a digital signature and returns an electronic version to PECO by email.

No hardcopy versions should be mailed.

VII.3.15. By close of the third business day following Commission approval of some or all of the lowest-priced Bids, each Default Supplier complies with all instructions from PECO to fulfill the creditworthiness requirements under the Uniform SMA.

VII.3.16. Following receipt of documents by PECO:

- PECO and each New Default Supplier have a fully executed Uniform SMA, Exhibit 3, PJM Declaration of Authority, as well as all other Exhibits; and
- PECO and each Default Supplier have a fully executed Transaction Confirmation for each product for which the Default Supplier has approved Bids.

VII.3.17. As provided in the Commission's directive dated October 12, 2010 (Docket No. M-2009-2082042), the Independent Evaluator will release, within fifteen (15) days of the Bid Date, the weighted average price and the percentage of load represented by each tranche for each product procured through this

RFP. The Independent Evaluator will issue an announcement on behalf of PECO with this information and the announcement will also be posted to the RFP website.

VII.3.18. Within fifteen (15) days of the full execution of the Uniform SMA, the Independent Evaluator provides to PECO a report on the solicitation. This report is based on the confidential report provided to the Commission, except that no losing bid information specific to a particular RFP Bidder is provided and that any information that an RFP Bidder may consider confidential or proprietary is also redacted.

VII.3.19. As provided in the PaPUC's directive dated October 12, 2010 (Docket No. M-2009-2082042), PECO will continue to provide a default service rate calculation model. The model shows the methodology for translating RFP results into default service rates. A separate tool or illustrative example will be provided for determination of TOU rates. The calculation model is posted to the PECO website:

<https://www.peco.com/MyAccount/MyService/Pages/ElectricPricetoCompare.aspx>

VII.4. Personnel and Confidentiality

VII.4.1. Any information provided by an RFP Bidder in its Part 1 Proposal is provided on a confidential basis to the Independent Evaluator and may be provided on a confidential basis to the Commission Staff. PECO representatives will review the information provided to fulfill the requirements of Section IV.2, Section IV.3, and Section IV.5 and will participate in the evaluation of the creditworthiness of each RFP Bidder.

VII.4.2. Any information provided by an RFP Bidder in its Part 2 Proposal is provided on a confidential basis to the Independent Evaluator, and may be provided on a confidential basis to the Commission Staff. PECO representatives will review the Pre-Bid Letter of Credit with the name of the RFP Bidder and the amount redacted and will participate in the evaluation of this Pre-Bid Letter of Credit. PECO representatives will also review the documents provided to fulfill the requirements of Section V.4 and Section V.5.

VII.4.3. The Independent Evaluator and representatives from PECO involved in the evaluation of Proposals will consider all data and information provided by RFP Bidders in response to this RFP to be confidential and will attempt to limit its disclosure to the public in accordance with the provisions of this section. PECO will also take reasonable action to ensure that its employees, representatives and

agents authorized to consider and evaluate all Proposals protect the confidentiality of such data and information. Each representative of the Independent Evaluator and PECO that has access to any portion of the Proposals is required to sign a Confidentiality Statement in the form of Appendix 12 to these RFP Rules prior to evaluation of any portion of the Proposals. The list of all signatories is available to an RFP Bidder upon request.

VII.4.4. However, absolute protection from public disclosure of the RFP Bidders' data and information filed in response to this RFP cannot be provided and is not intended. By submitting a Proposal in response to this RFP, each RFP Bidder acknowledges and agrees to the limitations of the confidentiality provisions set forth in this section.

VII.4.5. In addition, the RFP Bidders' data and information filed in response to the RFP will be disclosed if required by any federal, state or local agency (including, without limitation, the Commission) or by a court of competent jurisdiction. PECO or the Independent Evaluator will notify the RFP Bidder in advance of such disclosure and cooperate with such RFP Bidder, to the extent deemed reasonable by PECO, and at the expense of the RFP Bidder, to prevent the disclosure of such materials. In any event, PECO, its employees, and agents including the Independent Evaluator will not be responsible to the RFP Bidders or any other party or liable for any disclosure of such designated materials before, during or subsequent to this RFP.

ARTICLE VIII. Reserved Rights

VIII.1.1. PECO will not be liable to any RFP Bidder or any other party for failure to execute a Uniform SMA or any Transaction Confirmation. Nothing herein may be construed to bind PECO unless and until the Commission has approved lowest-priced Bids, and the Uniform SMA and each Transaction Confirmation with an approved Default Supplier has been executed and is effective. Once effective,

it is the Uniform SMA and not the RFP Rules or any documents relating thereto that will govern the relationship between and the responsibilities of the parties.

- VIII.1.2. The Independent Evaluator reserves the right to reject Proposals submitted in response to this RFP that are incomplete, or do not conform with the requirements of this RFP, or are submitted beyond the deadline for submission, or are submitted by an RFP Bidder that tries to unduly influence in any way the evaluation process.

ADDENDUM to the RFP Rules

I.1. Auction Schedule

The schedule for this solicitation is below. All times in this schedule are Eastern Prevailing Time (“EPT”) unless specifically noted.

Table 1. Schedule

Event	Timing
Deadline to request consideration of an alternate form of guaranty	Tuesday, January 28, 2025
Bidder Information Webcast	Friday, February 7, 2025
Decision on alternate guaranty forms (if any)	Friday, February 14, 2025
Part 1 Window Opens	Wednesday, February 19, 2025
Part 1 Date (Part 1 Window Closes)	Tuesday, February 25, 2025
Part 1 Notification Date	Thursday, February 27, 2025
Approved modifications to Standard Guaranty posted	Friday, February 28, 2025
Part 2 Window Opens	Friday, February 28, 2025
Bid Submission training	Wednesday, March 5, 2025
Part 2 Date (Part 2 Window Closes)	Thursday, March 6, 2025
Part 2 Notification Date	Monday, March 10, 2025
Bid Date (Bids are Due)	Tuesday, March 11, 2025
IE provides its report to the PaPUC	Wednesday, March 12, 2025
PaPUC Decision (close of business)	Thursday, March 13, 2025
If Bids are approved by the PaPUC:	
PECO sends partially executed Uniform SMA and Transaction Confirmation(s) (by 12PM on the fourth business day after the Bid Date)	Monday, March 17, 2025
Uniform SMA and Transaction Confirmation(s) fully executed (by 2PM on the fifth business day after the Bid Date)	Tuesday, March 18, 2025
Default Service Supplier meets the creditworthiness requirements (by close of the fifth business day after the Bid Date)	Tuesday, March 18, 2025

I.2. Size of a Tranche for Default Load and Products Available

The total number of tranches, Load Caps, and the percentage size of each tranche to be procured under DSP VI are shown in the table below. The Total Peak (MW), Default Peak (MW), and MW-Measure of each tranche have been updated for this solicitation and are also provided in Table 2.

Appendix 0 to the RFP Rules

Table 2. Number of Tranches and Size of a Tranche for Default Load.

DSP VI				Updated for March 2025 Solicitation		
Class	Total Tranches	Load Cap	% Size of a Tranche	Total Peak (MW)	Default Peak (MW)	MW-Measure of a Tranche
RES	62	31	1.60%	3,982.83	3,099.78	49.50
SC	24	12	4.17%	1,044.70	515.16	21.46
CCI	8	6	12.50%	3,013.90	206.07	25.76

The products and number of tranches available in this solicitation are provided in Table 3. A product for purposes of this RFP is defined by three characteristics: a) the Class to which it contributes Default Supply; b) the length of the supply period; and c) the date at which the supply period begins. For example, the RES-12-Jun25 product represents Default Supply for the RES Class for the supply period from June 1, 2025 through May 31, 2026.

Table 3. Products and Number of Tranches Available.

Product	Tranches Available
RES-12-Jun25	12
RES-24-Jun25	11
SC-12-Jun25	6
SC-24-Jun25	3
CCI-12-Jun25	8

I.3. Load Caps for Products Available

Each Class has “Load Caps”, which are limits on the number of tranches of Default Supply that an RFP Bidder can bid and serve for that Class. The Load Caps ensure that there will be a diversified pool of Default Suppliers for each Class. The Load Caps for the RES and SC Classes are set so that the Default Service customers of that Class have no more than a 50% exposure to any one Default Supplier at any given time. The Load Cap for the CCI Class is set so that the Default Service customers of that Class have no more than a 75% exposure to any one Default Supplier at any given time. The Load Caps in this solicitation are provided here:

Appendix 0 to the RFP Rules

Table 4. Available Tranches and Load Caps (March 2025 Solicitation; RES Class).

Products	Available Tranches	Load Caps Apply to an RFP Bidder When an RFP Bidder Has:	Load Caps for RES Class
RES-12-Jun25	12	Won more than 19 RES-24-Dec23, RES-24-Jun24, RES-12-Dec24, and RES-24-Dec24 tranches under DSP V	31 less RES-24-Dec23, RES-24-Jun24, RES-12-Dec24, and RES-24-Dec24 tranches won under DSP V
RES-24-Jun25	11	Won more than 20 RES-24-Dec23, RES-24-Jun24, RES-12-Dec24, and RES-24-Dec24 tranches under DSP V	

Table 5. Available Tranches and Load Caps (March 2025 Solicitation; SC and CCI Classes).

Products	Available Tranches	Load Caps Apply to an RFP Bidder When an RFP Bidder Has:	Load Caps
SC-12-Jun25	6	Won more than 6 tranches of SC-24-Dec23, SC-24-Jun24, SC-12-Dec24, and SC-24-Dec24 under DSP V	12 less SC-24-Dec23, SC-24-Jun24, SC-12-Dec24, and SC-24-Dec24 tranches won under DSP V
SC-24-Jun25	3	Won more than 9 tranches of SC-24-Dec23, SC-24-Jun24, SC-12-Dec24, and SC-24-Dec24 under DSP V	
CCI-12-Jun25	8	Load Caps apply always	6

- The Load Cap for the RES Class will apply as follows. An RFP Bidder is limited to 31 tranches of the RES-24-Dec23, RES-24-Jun24, RES-12-Dec24, RES-24-Dec24, RES-12-Jun25, and RES-24-Jun25 products combined, including tranches of these products won in previous solicitations and tranches bid for the RES-12-Jun25 and RES-24-Jun25 products in this solicitation.
- The Load Cap for the SC Class will apply as follows. An RFP Bidder is limited to 12 tranches of the SC-24-Dec23, SC-24-Jun24, SC-12-Dec24, SC-24-Dec24, SC-12-Jun25, and SC-24-Jun25 products combined, including tranches of these products won in previous solicitations and tranches bid for the SC-12-Jun25 and SC-24-Jun25 products in this solicitation.

Appendix 0 to the RFP Rules

- The Load Cap for the CCI Class will apply as follows. In this solicitation, an RFP Bidder is limited to 6 tranches for the CCI-12-Jun25 product.

Appendix 1
PECO Energy Company
Pennsylvania Default Service Supplier Master Agreement

See PECO Exhibit SD-2

Appendix 2 to the RFP Rules

The Independent Evaluator will inform the prospective supplier of PECO's decision. The Independent Evaluator will inform the prospective supplier of any specific changes that may be required for the proposed alternate guaranty form to be acceptable to PECO. Prospective suppliers will be given an opportunity to resubmit the alternate guaranty form if changes are identified by PECO. Alternate guaranty forms that have been resubmitted may be rejected if they do not include the changes identified by PECO.

5. An alternate guaranty form approved through this Guaranty Process will be acceptable to PECO. This alternate guaranty form may be used by the prospective supplier through the end of DSP VI barring changes in the applicable law or changes to the RFP as may be ordered by the Pennsylvania Public Utility Commission.

Minimum Requirements for the Alternate Guaranty Form

Below are the minimum requirements that must be met in order for any alternate guaranty form to be acceptable. As stated above, in determining whether an alternate guaranty form is acceptable and provides sufficient assurances of payment, PECO takes into account several general considerations, including whether the alternate guaranty form fulfills the following minimum requirements:

1. The guaranty must be an unconditional guaranty of payment of all amounts due by the Seller to PECO under the applicable SMA(s), i.e., the Uniform SMA and any previously entered Default Service SMA(s). To clarify the meaning of the term "unconditional guaranty of payment", sample language is provided in the last section of this document. The applicable SMA(s) must be expressly identified and the satisfaction of obligations through performance may not be authorized.
2. The guaranty may be terminated upon no less than thirty (30) calendar days advance written notice to PECO and termination will not discharge liabilities and obligations of the guarantor that have been incurred up to and including the effective date of the termination. The termination of an alternate guaranty will be effective only upon the receipt of substitute security or credit support that is acceptable to PECO.
3. The guaranty must not be subject to any monetary limit.
4. The guaranty must be accompanied by a certification from the guarantor that the alternate guaranty form, subject to changes needed to conform to the minimum requirements specified herein or to the specific changes identified by PECO, has been in general use by the prospective supplier in its ordinary course of business over the past twelve (12) months.
5. The guaranty must be a guaranty of payment and not of collection.
6. Assignment of the guaranty will not be permitted except with the prior written consent of PECO, except in the case of a Successor Guarantor as defined below (see sample assignment language).
7. The prospective supplier must provide an enforceability opinion with respect to the alternate guaranty form from its outside counsel. The enforceability opinion must be from a law firm of national (i.e., United States) standing. The prospective supplier must name the law firm that is offering the enforceability opinion in its submission. The enforceability opinion must not be weaker than would be the industry norm and must contain only those qualifications that would be typical. The opinion will name PECO and explicitly state that PECO is entitled to rely on the opinion.

Appendix 2 to the RFP Rules

The enforceability opinion must not be qualified by or conditioned on any of the following:

- a. the valid existence and good standing of the parties to the Uniform SMA;
- b. the power and authority of the prospective supplier and guarantor to execute, deliver, and perform their respective agreements;
- c. due execution of the Uniform SMA and the alternate guaranty form; or
- d. that the Uniform SMA is legal, valid, binding, and enforceable against all parties.

At the time that the prospective supplier submits its alternate guaranty form and supporting documentation, the opinion may be unsigned. If the prospective supplier becomes an RFP Bidder, the RFP Bidder will be required to submit, with its Part 2 Proposal, the enforceability opinion exactly as approved, duly signed, and on letterhead of a law firm of national standing.

Sample Language

The process for submission of alternate guaranty forms is designed to give prospective suppliers some flexibility while at the same time assuring adequate credit protection for PECO and its customers. PECO provides sample language below for the purpose of clarifying certain aspects of the minimum requirements for alternate guaranty forms. This language is not required, but would be deemed acceptable to PECO. PECO reserves the right to reject alternate guaranty forms that do not contain language that, in PECO’s view, provides substantially comparable protections to the language set forth below.

Subject	Sample Language
Unconditional Guaranty	“Guarantor agrees that its obligations hereunder are unconditional and will not be discharged except by complete payment of all amounts due under the Uniform SMA, irrespective of any claim or dispute as to the Uniform SMA’s validity, regularity or enforceability, or the lack of authority of the RFP Bidder to enter into the Uniform SMA.”
Assignment	“Guarantor may not assign its rights nor delegate its obligations under this Guaranty, in whole or in part, without the prior written consent of PECO, and any purported assignment or delegation absent such consent is void, except for an assignment and delegation of all of Guarantor’s rights and obligations hereunder to a Successor Guarantor. For purposes of this paragraph, a “Successor Guarantor” means a partnership, corporation, trust or other organization in whatever form that succeeds to all or substantially all of the Guarantor’s assets and business and that assumes all of the Guarantor’s obligations hereunder by contract or operation of law; provided, that, such Successor Guarantor will have a long-term unsubordinated debt rating that is not lower than the lesser of (i) A2/A or (ii) the rating of the Guarantor immediately prior to such assumption.”

APPENDIX 3 – ILLUSTRATIVE STANDARD PART 1 FORM DEFAULT SERVICE PROGRAM REQUEST FOR PROPOSALS

PECO Energy Company (“Company” or “PECO”) is intending to obtain full requirements electric supply to meet a portion of its obligations as Default Service Provider through this Request for Proposals (“RFP”).

Before completing this online Part 1 Form, please review the RFP, including the PECO Energy Company Pennsylvania Default Service Supplier Master Agreement (“Uniform SMA”), so that you understand the conditions under which the RFP will be conducted. These documents are posted at www.PECOprocurement.com.

By submitting a Part 1 Proposal in response to this RFP, you are agreeing to all terms and conditions of this RFP.

Any information provided by an RFP Bidder in this Part 1 Proposal is provided on a confidential basis to the Independent Evaluator, and may be provided on a confidential basis to the Staff of the Pennsylvania Public Utility Commission. PECO representatives will review financial information and will participate in the evaluation of the creditworthiness of each RFP Bidder. Information regarding the content or status of any Part 1 Proposal will not be released publicly or to any individual RFP Bidder during the evaluation process.

Appendix 3 to the RFP Rules

STANDARD PART 1 FORM

1. Contact Information and Representations

First Item: Name and Address of the RFP Bidder

PLEASE PROVIDE THE RFP BIDDER'S LEGAL NAME AND ADDRESS.

Legal Name of RFP Bidder

Street Address Line 1

Street Address Line 2

City

State

Zip Code

Second Item: Officer of the RFP Bidder

The Officer of the RFP Bidder must be an officer, a director, or an individual otherwise authorized to undertake contracts (including the Uniform SMA) and bind the RFP Bidder. The Officer of the RFP Bidder whose contact information is provided in this online Part 1 Form must:

- make all representations required by the Part 1 Proposal requirements; and
- make all representations required by the Part 2 Proposal requirements.

PLEASE PROVIDE THE NAME AND CONTACT INFORMATION FOR THE OFFICER OF THE RFP BIDDER.

First Name

Last Name

Title

Street Address Line 1

Street Address Line 2

City

State

Zip Code

Business Phone No.

Cell Phone No.

Email Address

Appendix 3 to the RFP Rules

Third Item: Representative of the RFP Bidder

The Independent Evaluator uses the Representative as the main point of contact for the RFP Bidder.

PLEASE PROVIDE THE NAME AND CONTACT INFORMATION FOR THE REPRESENTATIVE OF THE RFP BIDDER.
The Officer of the RFP Bidder may also serve as the Representative.

<i>First Name</i>	<input type="text"/>	<i>Last Name</i>	<input type="text"/>
<i>Title</i>	<input type="text"/>		
<i>Street Address Line 1</i>	<input type="text"/>		
<i>Street Address Line 2</i>	<input type="text"/>		
<i>City</i>	<input type="text"/>	<i>State</i>	<input type="text"/>
			<i>Zip Code</i>
			<input type="text"/>
<i>Business Phone No.</i>	<i>Cell Phone No.</i>	<i>Email Address</i>	
<input type="text"/>	<input type="text"/>	<input type="text"/>	

THE OFFICER OF THE RFP BIDDER MUST DESIGNATE THE INDIVIDUAL NAMED ABOVE TO SERVE AS THE REPRESENTATIVE OF THE RFP BIDDER BY COMPLETING THE REPRESENTATIVE INSERT. The Representative Insert is also labelled INSERT #P1-1.

PLEASE REFER TO THE REPRESENTATIVE INSERT (#P1-1) FOR THE ACCEPTABLE METHODS TO COMPLETE AND SUBMIT THIS INSERT. IF THIS INSERT IS NOT COMPLETED WITH A DIGITAL SIGNATURE, IT MUST BE SENT BY EMAIL TO THE INDEPENDENT EVALUATOR AT PECOPROUREMENT@NERA.COM BY THE SIGNATORY (HERE THE OFFICER OF THE RFP BIDDER) OR WITH THE SIGNATORY ON COPY.

<hr/> <i>Name of RFP Bidder</i>
REPRESENTATIVE INSERT (#P1-1)
THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE FOR THIS INSERT. THE INDEPENDENT EVALUATOR IS ALSO ACCEPTING AN ELECTRONIC SIGNATURE OR A SCANNED WET SIGNATURE AS LONG AS THIS INSERT IS SENT BY EMAIL BY THE SIGNATORY OR WITH THE SIGNATORY ON COPY.
This Insert may be completed as follows: <ul style="list-style-type: none">Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory. If completed with a digital signature, this Insert and accompanying document or information may be uploaded to the online Part 1 Form or may be sent by email to the Independent Evaluator at PECOPROUREMENT@NERA.COM .

This Insert may also be completed as follows:

- *Submitted with a scanned wet signature;*

or

- *Submitted with an electronic signature (such as an image of a signature).*

If completed with a scanned or electronic signature, this Insert must be sent by email to the Independent Evaluator at PECOProcurement@NERA.com by the signatory (here the Officer of the RFP Bidder) or with the signatory on copy.

THE OFFICER OF THE RFP BIDDER MUST DESIGNATE THE INDIVIDUAL WHOSE CONTACT INFORMATION IS PROVIDED IN THE ONLINE PART 1 FORM AS THE REPRESENTATIVE.

I, _____ (the Officer of the RFP Bidder), hereby designate _____ (name of the Representative) to serve as the Representative of the RFP Bidder.

Signature of Officer

Date

Fourth Item: Nominees

The Independent Evaluator provides notifications to the RFP Bidder by email and provides documents needed for participation by secure file transfer. Any such notification will be deemed received by the RFP Bidder at the time of delivery or transmission, provided that where delivery or transmission occurs after 6 PM on a business day or occurs on a day that is not a business day, receipt will be deemed to occur at 9 AM on the following business day.

The RFP Bidder may designate up to three (3) authorized individuals (each called a “Nominee”) to receive communications from the Independent Evaluator in addition to the Representative. The RFP Bidder may make such a designation at any time during the solicitation.

Is the RFP Bidder designating Nominees at this time?

Yes

No

Appendix 3 to the RFP Rules

THE REPRESENTATIVE OF THE RFP BIDDER OR THE OFFICER OF THE RFP BIDDER DESIGNATES NOMINEES BY COMPLETING THE NOMINEE INSERT. The Nominee Insert is also labelled INSERT #P1-2.

PLEASE REFER TO THE NOMINEE INSERT (#P1-2) FOR THE ACCEPTABLE METHODS TO COMPLETE AND SUBMIT THIS INSERT. IF THIS INSERT IS NOT COMPLETED WITH A DIGITAL SIGNATURE, IT MUST BE SENT BY EMAIL TO THE INDEPENDENT EVALUATOR AT PECOPROCUREMENT@NERA.COM BY THE SIGNATORY (HERE THE OFFICER OF THE RFP BIDDER OR THE REPRESENTATIVE OF THE RFP BIDDER) OR WITH THE SIGNATORY ON COPY.

Name of RFP Bidder

NOMINEE INSERT (#P1-2)

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE FOR THIS INSERT. THE INDEPENDENT EVALUATOR IS ALSO ACCEPTING AN ELECTRONIC SIGNATURE OR A SCANNED WET SIGNATURE AS LONG AS THIS INSERT IS SENT BY EMAIL BY THE SIGNATORY OR WITH THE SIGNATORY ON COPY.

This Insert may be completed as follows:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory.*

If completed with a digital signature, this Insert and accompanying document or information may be uploaded to the online Part 1 Form or may be sent by email to the Independent Evaluator at PECOProcurement@NERA.com.

This Insert may also be completed as follows:

- *Submitted with a scanned wet signature;*

or

- *Submitted with an electronic signature (such as an image of a signature).*

If completed with a scanned or electronic signature, this Insert must be sent by email to the Independent Evaluator at PECOProcurement@NERA.com by the signatory (here the Officer of the RFP Bidder or the Representative of the RFP Bidder) or with the signatory on copy.

Please note! This insert is optional.

I, _____ (the Officer of the RFP Bidder or the Representative of the RFP Bidder), authorize the individuals whose contact details are immediately below to receive communications from the Independent Evaluator and to act on behalf of the RFP Bidder during the Proposal submission process.

Appendix 3 to the RFP Rules

Signature	Date	
<u>Contact Information for Nominee #1</u>		
<i>First Name</i>	<i>Last Name</i>	
<i>Title</i>		
<i>Business Phone No.</i>	<i>Cell Phone No.</i>	<i>Email Address</i>
<u>Contact Information for Nominee #2</u>		
<i>First Name</i>	<i>Last Name</i>	
<i>Title</i>		
<i>Business Phone No.</i>	<i>Cell Phone No.</i>	<i>Email Address</i>
<u>Contact Information for Nominee #3</u>		
<i>First Name</i>	<i>Last Name</i>	
<i>Title</i>		
<i>Business Phone No.</i>	<i>Cell Phone No.</i>	<i>Email Address</i>
<u>Notes (optional)</u>		
<p>The RFP Bidder may provide additional information here, such as the period during which a particular individual will act as Nominee or the individual that a Nominee is replacing.</p>		

Appendix 3 to the RFP Rules

2. Financial Requirements and Agency Agreements

First Item: Agency Agreement

Is the RFP Bidder submitting a Proposal under an Agency Agreement?

- Yes No

If Yes, the RFP Bidder must elect a Principal as the entity on whose financial standing it is relying in responding to the next item.

Second Item: Election of Entity on Whose Financial Standing the RFP Bidder Is Relying

PLEASE SELECT THE ENTITY UPON WHOSE FINANCIAL STANDING THE RFP BIDDER IS RELYING AS REQUIRED BY PARAGRAPH IV.2.2 OF THE RFP RULES:

- (a) the RFP Bidder is relying on its own financial standing.
- (b) the RFP Bidder is relying on the financial standing of a guarantor.
- (c) the RFP Bidder is submitting a Proposal under an Agency Agreement and the RFP Bidder is relying on the financial standing of a Principal.

2.a. Financial and Credit Requirements

The RFP Bidder is the entity on whose financial standing the RFP Bidder is relying.

First Item: Financial Information

IF AVAILABLE, PLEASE PROVIDE THE MOST RECENT QUARTERLY FINANCIAL INFORMATION FOR THE RFP BIDDER, including a balance sheet, income statement, cash flow statement, and any accompanying notes and schedules:

- **IF AVAILABLE, YOU MUST PROVIDE THE MOST RECENT SECURITIES AND EXCHANGE COMMISSION (“SEC”) FORM 10-Q OR 10-K (WHICHEVER IS MORE RECENT) TO FULFILL THIS REQUIREMENT;**
- **IF THE SEC FORM 10-Q OR 10-K IS UNAVAILABLE, PLEASE PROVIDE, IF AVAILABLE, THE RFP BIDDER’S MOST RECENT QUARTERLY, MONTHLY, OR BI-ANNUAL FINANCIAL INFORMATION** accompanied by an attestation by the Chief Financial Officer (or similar position) that the information contained in the financial statements fairly presents in all material respects the financial condition and results of the operations of the RFP Bidder. The requirements for this attestation are provided more specifically in Appendix 5 of the RFP Rules.

	<i>Most recent quarterly financial information (or, if unavailable, most recent monthly or bi-annual financial information accompanied by an attestation by the Chief Financial Officer)</i> IF THE INFORMATION IS UNAVAILABLE, PLEASE SO STATE IN THE JUSTIFICATION OF OMISSIONS SECTION.
	<i>Attestation from Chief Financial Officer if necessary.</i>

Appendix 3 to the RFP Rules

Second Item: Credit Ratings

PLEASE PROVIDE ALL AVAILABLE CREDIT RATINGS FOR THE RFP BIDDER.

Is the RFP Bidder rated by S&P Global Ratings (“S&P”)?

Yes **No**

RFP Bidder’s rating: _____
Type of rating (check one): <input type="checkbox"/> Senior unsecured debt rating <input type="checkbox"/> Corporate issuer rating

Is the RFP Bidder rated by Moody’s Investors Service, Inc. (“Moody’s”)?

Yes **No**

RFP Bidder’s rating: _____
Type of rating (check one): <input type="checkbox"/> Senior unsecured debt rating <input type="checkbox"/> Corporate issuer rating

Is the RFP Bidder rated by Fitch, Inc. (“Fitch”)?

Yes **No**

RFP Bidder’s rating: _____
Type of rating (check one): <input type="checkbox"/> Senior unsecured debt rating <input type="checkbox"/> Corporate issuer rating

2.b. Financial and Credit Requirements

The RFP Bidder is relying on the financial standing of an RFP Guarantor.

First Item: Name and Address of RFP Guarantor

PLEASE PROVIDE THE LEGAL NAME AND ADDRESS OF THE RFP GUARANTOR.

Legal Name of RFP Guarantor

Street Address Line 1

Street Address Line 2

City

State

Zip Code

Appendix 3 to the RFP Rules

Second Item: Financial Information

Financial information must be available for the RFP Guarantor.

PLEASE PROVIDE THE MOST RECENT QUARTERLY FINANCIAL INFORMATION FOR THE RFP GUARANTOR, including a balance sheet, income statement, cash flow statement, and any accompanying notes and schedules:

- **IF AVAILABLE, YOU MUST PROVIDE THE MOST RECENT SECURITIES AND EXCHANGE COMMISSION (“SEC”) FORM 10-Q OR 10-K (WHICHEVER IS MORE RECENT) TO FULFILL THIS REQUIREMENT;**
- **IF THE SEC FORM 10-Q OR 10-K IS UNAVAILABLE, YOU MUST PROVIDE THE RFP GUARANTOR’S MOST RECENT QUARTERLY, MONTHLY, OR BI-ANNUAL FINANCIAL INFORMATION** accompanied by an attestation by the Chief Financial Officer (or similar position) that the information contained in the financial statements fairly presents in all material respects the financial condition and results of the operations of the RFP Bidder. The requirements for this attestation are provided more specifically in Appendix 5 of the RFP Rules.

	<i>Most recent quarterly financial information (or, if unavailable, most recent monthly or bi-annual financial information accompanied by an attestation by the Chief Financial Officer)</i>
	<i>Attestation from Chief Financial Officer (if necessary)</i>

Third Item: Credit Ratings

PLEASE PROVIDE THE CREDIT RATINGS FOR THE RFP GUARANTOR.

Is the RFP Guarantor rated by S&P Global Ratings (“S&P”)?

Yes **No**

RFP Guarantor’s rating: _____ Type of rating (check one): <input type="checkbox"/> Senior unsecured debt rating <input type="checkbox"/> Corporate issuer rating
--

Is the RFP Guarantor rated by Moody’s Investors Service, Inc. (“Moody’s”)?

Yes **No**

RFP Guarantor’s rating: _____ Type of rating (check one): <input type="checkbox"/> Senior unsecured debt rating <input type="checkbox"/> Corporate issuer rating
--

Is the RFP Guarantor rated by Fitch, Inc. (“Fitch”)?

Yes **No**

RFP Guarantor’s rating: _____ Type of rating (check one): <input type="checkbox"/> Senior unsecured debt rating <input type="checkbox"/> Corporate issuer rating
--

Appendix 3 to the RFP Rules

2.c. Financial and Credit Requirements

The RFP Bidder is submitting a Proposal under an Agency Agreement and is relying on the financial standing of a Principal.

First Item: Principals to the Agency Agreement

PLEASE PROVIDE THE LEGAL NAME OF ALL PRINCIPALS UNDER THE AGENCY AGREEMENT.

Legal Name of Principal(s)

Second Item: Agency Agreement

A copy of the Agency Agreement is required. **PLEASE PROVIDE ONE (1) COPY OF THE AGENCY AGREEMENT.**

	Agency Agreement
---	------------------

Third Item: Principal on Whose Financial Standing the RFP Bidder is Relying

PLEASE PROVIDE THE LEGAL NAME AND ADDRESS OF THE PRINCIPAL ON WHOSE FINANCIAL STANDING THE RFP BIDDER IS RELYING.

- If there are several Principals in the Agency Agreement, you must identify the Principal with the lowest credit rating.
- If several Principals have the same lowest credit rating, you must identify the Principal among these that also has the lowest tangible net worth.

The Principal on whose financial standing the RFP Bidder is relying is referred to as the “RFP Principal”.

Name of RFP Principal

Street Address Line 1

Street Address Line 2

City

State

Zip Code

Fourth Item: Financial Information

PLEASE PROVIDE THE MOST RECENT QUARTERLY FINANCIAL INFORMATION FOR THE RFP PRINCIPAL, including a balance sheet, income statement, cash flow statement, and any accompanying notes and schedules:

- **IF AVAILABLE, YOU MUST PROVIDE THE MOST RECENT SECURITIES AND EXCHANGE COMMISSION (“SEC”) FORM 10-Q OR 10-K (WHICHEVER IS MORE RECENT) TO FULFILL THIS REQUIREMENT;**

Appendix 3 to the RFP Rules

- **IF THE SEC FORM 10-Q OR 10-K IS UNAVAILABLE, YOU MUST PROVIDE THE RFP PRINCIPAL’S MOST RECENT QUARTERLY, MONTHLY, OR BI-ANNUAL FINANCIAL INFORMATION** accompanied by an attestation by the Chief Financial Officer (or similar position) that the information contained in the financial statements fairly presents in all material respects the financial condition and results of the operations of the RFP Bidder. The requirements for this attestation are provided more specifically in Appendix 5 of the RFP Rules.

	Most recent quarterly financial information (or, if unavailable, most recent monthly or bi-annual financial information accompanied by an attestation by the Chief Financial Officer)
	Attestation from Chief Financial Officer (if necessary)

Fifth Item: Credit Ratings

PLEASE PROVIDE THE CREDIT RATINGS FOR THE RFP PRINCIPAL.

Is the RFP Principal rated by S&P Global Ratings (“S&P”)?

Yes **No**

RFP Principal’s rating: _____ Type of rating (check one): <input type="checkbox"/> Senior unsecured debt rating <input type="checkbox"/> Corporate issuer rating
--

Is the RFP Principal rated by Moody’s Investors Service, Inc. (“Moody’s”)?

Yes **No**

RFP Principal’s rating: _____ Type of rating (check one): <input type="checkbox"/> Senior unsecured debt rating <input type="checkbox"/> Corporate issuer rating
--

Is the RFP Principal rated by Fitch, Inc. (“Fitch”)?

Yes **No**

RFP Principal’s rating: _____ Type of rating (check one): <input type="checkbox"/> Senior unsecured debt rating <input type="checkbox"/> Corporate issuer rating
--

Sixth Item: Agency Certifications

THE OFFICER OF THE RFP BIDDER MUST CERTIFY TO HAVING AUTHORITY TO BIND THE PRINCIPAL(S) AND ACKNOWLEDGE THAT AN OFFICERS’ CERTIFICATE MUST BE SIGNED BY COMPLETING THE AGENCY CERTIFICATIONS INSERT. The Agency Certifications Insert is also labelled INSERT #P1-3.

Appendix 3 to the RFP Rules

PLEASE REFER TO THE AGENCY CERTIFICATIONS INSERT (#P1-3) FOR THE ACCEPTABLE METHODS TO COMPLETE AND SUBMIT THIS INSERT. IF THIS INSERT IS NOT COMPLETED WITH A DIGITAL SIGNATURE, IT MUST BE SENT BY EMAIL TO THE INDEPENDENT EVALUATOR AT PECOPROUREMENT@NERA.COM BY THE SIGNATORY (HERE THE OFFICER OF THE RFP BIDDER) OR WITH THE SIGNATORY ON COPY.

Name of RFP Bidder

 **P1 AGENCY CERTIFICATIONS INSERT (#P1-3)**

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE FOR THIS INSERT. THE INDEPENDENT EVALUATOR IS ALSO ACCEPTING AN ELECTRONIC SIGNATURE OR A SCANNED WET SIGNATURE AS LONG AS THIS INSERT IS SENT BY EMAIL BY THE SIGNATORY OR WITH THE SIGNATORY ON COPY.

This Insert may be completed as follows:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory.*

If completed with a digital signature, this Insert and accompanying document or information may be uploaded to the online Part 1 Form or may be sent by email to the Independent Evaluator at PECOProurement@NERA.com.

This Insert may also be completed as follows:

- *Submitted with a scanned wet signature;*

or

- *Submitted with an electronic signature (such as an image of a signature).*

If completed with a scanned or electronic signature, this Insert must be sent by email to the Independent Evaluator at PECOProurement@NERA.com by the signatory (here the Officer of the RFP Bidder) or with the signatory on copy.

Please note! Only RFP Bidders submitting a Proposal under an Agency Agreement are required to submit this Insert.

THE OFFICER OF THE RFP BIDDER MUST MAKE THE FOLLOWING REPRESENTATION.

I, _____ (the Officer of the RFP Bidder), certify that I have the authority to bind the Principal(s) under the Agency Agreement provided with this Part 1 Proposal. I acknowledge that with the Part 2 Proposal, the RFP Bidder will be required to submit an Officers' Certificate signed by an officer of each Principal and substantially in the form of Appendix 6 to the RFP Rules.

Signature of Officer

Date

Appendix 3 to the RFP Rules

Seventh Item: Draft Officers' Certificate

The RFP Bidder may, but is not required to, submit a draft Officers' Certificate for evaluation. If a draft Officers' Certificate is submitted for evaluation, the Independent Evaluator will inform the RFP Bidder of any changes required.

Is the RFP Bidder submitting a draft Officers' Certificate?

Yes No

PLEASE PROVIDE THE RFP BIDDER'S DRAFT OFFICERS' CERTIFICATE.

	<i>Draft Officers' Certificate</i>
---	------------------------------------

3. Credit Instruments and Uniform SMA

First Item: Standard Pre-Bid Letter of Credit

An RFP Bidder may request modifications to the Standard Pre-Bid Letter of Credit that are non-material in nature, or that are advantageous to both PECO and the RFP Bidder.

AN RFP BIDDER REQUESTS MODIFICATIONS TO THE STANDARD PRE-BID LETTER OF CREDIT BY SUBMITTING A DRAFT PRE-BID LETTER OF CREDIT SUBSTANTIALLY IN THE FORM OF THE STANDARD PRE-BID LETTER OF CREDIT INDICATING CLEARLY ANY AND ALL MODIFICATIONS TO THE STANDARD PRE-BID LETTER OF CREDIT USING TRACKED CHANGES IN MICROSOFT WORD.

All approved modifications to the Standard Pre-Bid Letter of Credit are posted to the RFP website. Each RFP Bidder may use any of the approved modifications, regardless of whether the RFP Bidder itself or another RFP Bidder proposed the modification.

Is the RFP Bidder submitting a Draft Pre-Bid Letter of Credit?

Yes No

Does the Draft Pre-Bid Letter of Credit contain the same requested modifications as a Draft Pre-Bid Letter of Credit submitted in a prior solicitation?

Yes No

Appendix 3 to the RFP Rules

No

A Draft Pre-Bid Letter of Credit that is not substantially in the form of the Standard Pre-Bid Letter of Credit will not be considered or evaluated. **PLEASE PROVIDE THE DRAFT PRE-BID LETTER OF CREDIT.**



Draft Pre-Bid Letter of Credit

Yes

A Draft Pre-Bid Letter of Credit that contains the same requested modifications as a prior submittal will not be reviewed again by PECO. To request the Independent Evaluator to email to you PECO's assessment of the prior submittal, please email such request to pecoprocurement@nera.com.

Second Item: Standard Post-Bid Letter of Credit

An RFP Bidder may request modifications to the Standard Post-Bid Letter of Credit that are non-material in nature, or that are advantageous to both PECO and the RFP Bidder.

AN RFP BIDDER REQUESTS MODIFICATIONS TO THE STANDARD POST-BID LETTER OF CREDIT BY SUBMITTING A DRAFT POST-BID LETTER OF CREDIT SUBSTANTIALLY IN THE FORM OF THE STANDARD POST-BID LETTER OF CREDIT INDICATING CLEARLY ANY AND ALL MODIFICATIONS TO THE STANDARD POST-BID LETTER OF CREDIT USING TRACKED CHANGES IN MICROSOFT WORD.

All approved modifications to the Standard Post-Bid Letter of Credit are posted to the RFP website. Each RFP Bidder may use any of the approved modifications, regardless of whether the RFP Bidder itself or another RFP Bidder proposed the modification.

Is the RFP Bidder submitting a Draft Post-Bid Letter of Credit?

Yes

No

Does the Draft Post-Bid Letter of Credit contain the same requested modifications as a Draft Post-Bid Letter of Credit submitted in a prior solicitation?

Yes

No

No

A Draft Post-Bid Letter of Credit that is not substantially in the form of the Standard Post-Bid Letter of Credit will not be considered or evaluated. **PLEASE PROVIDE THE DRAFT POST-BID LETTER OF CREDIT.**



Draft Post-Bid Letter of Credit

Appendix 3 to the RFP Rules

Yes

A Draft Post-Bid Letter of Credit that contains the same requested modifications as a prior submittal will not be reviewed again by PECO. To request the Independent Evaluator to email to you PECO's assessment of the prior submittal, please email such request to pecoprocurement@nera.com.

Third Item: Standard Guaranty

An RFP Bidder may request modifications to the Standard Guaranty that are non-material in nature, or that are advantageous to both PECO and the RFP Bidder.

AN RFP BIDDER REQUESTS MODIFICATIONS TO THE STANDARD GUARANTY BY SUBMITTING A DRAFT GUARANTY SUBSTANTIALLY IN THE FORM OF THE STANDARD GUARANTY INDICATING CLEARLY ANY AND ALL MODIFICATIONS TO THE STANDARD GUARANTY USING TRACKED CHANGES IN MICROSOFT WORD.

All approved modifications to the Standard Guaranty are posted to the RFP website. Each RFP Bidder may use any of the approved modifications, regardless of whether the RFP Bidder itself or another RFP Bidder proposed the modification.

Is the RFP Bidder submitting a Draft Guaranty?

Yes **No**

Does the Draft Guaranty contain the same requested modifications as a Draft Guaranty submitted in a prior solicitation?

Yes **No**

No

A Draft Guaranty that is not substantially in the form of the Standard Guaranty will not be considered or evaluated. **PLEASE PROVIDE THE DRAFT GUARANTY.**



Draft Guaranty

Yes

A Draft Guaranty that contains the same requested modifications as a prior submittal will not be reviewed again by PECO. To request the Independent Evaluator to email to you PECO's assessment of the prior submittal, please email such request to pecoprocurement@nera.com.

Fourth Item: Information to Prepare the Uniform SMA and Its Exhibits

In accordance with Paragraph IV.3.4 of the RFP Rules, **THE RFP BIDDER IS ASKED TO PROVIDE THE FOLLOWING INFORMATION TO PREPARE THE UNIFORM SMA:**

- any elections to be made in the Uniform SMA;
- contact information required to prepare the Form of Notice, which is included as Exhibit 2 to the Uniform SMA; and
- any additional information required to prepare the Uniform SMA and its Exhibits.

Appendix 3 to the RFP Rules

The RFP Bidder must either: (i) provide the requested information to prepare the Uniform SMA at this time; or: (ii) submit an acknowledgment signed by the Officer of the RFP Bidder that, if the Independent Evaluator notifies the RFP Bidder that the Independent Evaluator is identifying one or more of the RFP Bidder’s Bids to the Commission as winning Bids, the RFP Bidder must provide all required information by 12 PM (noon) EPT on the day after such notification is received.

Is the RFP Bidder providing information to prepare the Uniform SMA at this time?

Yes No

Yes

THE RFP BIDDER PROVIDES THE INFORMATION TO PREPARE THE UNIFORM SMA BY COMPLETING THE UNIFORM SMA INSERT. The Uniform SMA Insert is also labelled INSERT #P1-4.

Name of RFP Bidder

 **UNIFORM SMA INSERT (#P1-4)**

Please note! RFP Bidders must submit one (but ONLY one) of Insert #P1-4 and Insert #P1-5.

- 1. Under Section 5.4(a)(1) of the Uniform SMA, the DS Supplier may, in its sole discretion, add the following subsection 5.4(a)(1) by indicating yes or no below.

5.4(a)(1) For the purposes of such determination, the DS Supply provided for under this Agreement for the period following the Early Termination Date through the remainder of the term of this Agreement shall be deemed to be those quantity amounts that would have been delivered on an hourly basis, had this Agreement been in effect during the previous calendar year adjusted for such DS Load changes as may have occurred since the previous calendar year.

Do you intend for subsection 5.4(a)(1) to be included as part of the Uniform SMA?

Yes No

- 2. The information that you provide below will be used to complete Exhibit 2 (Form of Notice) to the Uniform SMA. **IF ANY OF THE INFORMATION REQUESTED BELOW IS UNAVAILABLE, PLEASE ENTER N/A IN THE CORRESPONDING FIELDS.**

(a) All Notices:

First Name

Last Name

Street Address

<input type="text"/>		
<i>City</i>	<i>State</i>	<i>Zip Code</i>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<i>Phone No.</i>	<i>Email Address</i>	
<input type="text"/>	<input type="text"/>	
<i>DUNS</i>	<i>Federal Tax I.D. Number</i>	
<input type="text"/>	<input type="text"/>	

(b) Invoices:

ATTN:

<i>First Name</i>	<i>Last Name</i>
<input type="text"/>	<input type="text"/>
<i>Phone No.</i>	<i>Email Address</i>
<input type="text"/>	<input type="text"/>

(c) Schedule:

ATTN:

<i>First Name</i>	<i>Last Name</i>
<input type="text"/>	<input type="text"/>
<i>Phone No.</i>	<i>Email Address</i>
<input type="text"/>	<input type="text"/>

(d) Payments:

ATTN:

<i>First Name</i>	<i>Last Name</i>
<input type="text"/>	<input type="text"/>
<i>Phone No.</i>	<i>Email Address</i>
<input type="text"/>	<input type="text"/>

(e) Wire Transfer:

Bank

<i>ABA</i>	<i>ACCT</i>
<input type="text"/>	<input type="text"/>

(f) Credit and Collections:

ATTN:

<i>First Name</i>	<i>Last Name</i>
<input type="text"/>	<input type="text"/>
<i>Phone No.</i>	<i>Email Address</i>
<input type="text"/>	<input type="text"/>

(g) Additional Notices of an Event of Default to:

ATTN:

First Name

Last Name

Phone No.

Email Address

No

THE OFFICER OF THE RFP BIDDER PROVIDES THE REQUIRED ACKNOWLEDGMENT BY COMPLETING THE DELAY (SMA) INSERT. The Delay (SMA) Insert is also labelled INSERT #P1-5.

PLEASE REFER TO THE DELAY (SMA) INSERT (#P1-5) FOR THE ACCEPTABLE METHODS TO COMPLETE AND SUBMIT THIS INSERT. IF THIS INSERT IS NOT COMPLETED WITH A DIGITAL SIGNATURE, IT MUST BE SENT BY EMAIL TO THE INDEPENDENT EVALUATOR AT PECOPROUREMENT@NERA.COM BY THE SIGNATORY (HERE THE OFFICER OF THE RFP BIDDER) OR WITH THE SIGNATORY ON COPY.

Name of RFP Bidder

DELAY (SMA) INSERT (#P1-5)

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE FOR THIS INSERT. THE INDEPENDENT EVALUATOR IS ALSO ACCEPTING AN ELECTRONIC SIGNATURE OR A SCANNED WET SIGNATURE AS LONG AS THIS INSERT IS SENT BY EMAIL BY THE SIGNATORY OR WITH THE SIGNATORY ON COPY.

This Insert may be completed as follows:

- Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory.

If completed with a digital signature, this Insert and accompanying document or information may be uploaded to the online Part 1 Form or may be sent by email to the Independent Evaluator at PECOProurement@NERA.com.

This Insert may also be completed as follows:

- Submitted with a scanned wet signature;

or

- Submitted with an electronic signature (such as an image of a signature).

If completed with a scanned or electronic signature, this Insert must be sent by email to the Independent Evaluator at PECOProcurement@NERA.com by the signatory (here the Officer of the RFP Bidder) or with the signatory on copy.

Please note! RFP Bidders must submit one (but ONLY one) of Insert #P1-4 and Insert #P1-5.

I, _____ (the Officer of the RFP Bidder), acknowledge that, if the Independent Evaluator notifies the RFP Bidder that the Independent Evaluator is identifying one or more of the RFP Bidder's Bids to the Commission as winning Bids, the RFP Bidder must provide all information required by the Uniform SMA Insert (#P1-4) by 12 PM (noon) EPT on the day after such notification is received.

Signature of Officer

Date

Appendix 3 to the RFP Rules

4. Regulatory Representations

First Item: Representations by the Officer of the RFP Bidder

The Officer of the RFP Bidder must make a number of certifications as detailed in the RFP Rules. **THE OFFICER OF THE RFP BIDDER MAKES SUCH CERTIFICATIONS BY COMPLETING THE P1 CERTIFICATIONS A INSERT.** The P1 Certifications A Insert is also labelled INSERT #P1-6.

PLEASE REFER TO THE P1 CERTIFICATIONS A INSERT (#P1-6) FOR THE ACCEPTABLE METHODS TO COMPLETE AND SUBMIT THIS INSERT.

Name of RFP Bidder

 **P1 CERTIFICATIONS (A) INSERT (#P1-6)**

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE OR A NOTARIZED SIGNATURE FOR THIS INSERT.

This Insert may be completed as follows:

- *Signed by the Officer of the RFP Bidder with the signature notarized;*

or:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory. Digital signatures are not required to be notarized.*

This Insert and any accompanying document or information may be submitted as follows:

- *Uploaded to the online Part 1 Form;*

or:

- *Sent by email to the Independent Evaluator at PECOProcurement@nera.com.*

An RFP Bidder found to be acting in concert with another RFP Bidder may be disqualified by the Independent Evaluator.

I certify that:

- (1) I am an officer, a director, or an individual otherwise authorized to undertake contracts (including the PECO Energy Company - Pennsylvania Default Service Supplier Master Agreement) and bind the RFP Bidder.
- (2) All information provided in this Part 1 Proposal is true and accurate to the best of my knowledge and belief.
- (3) If, for any reason or due to any circumstance, any information provided in this Part 1 Proposal changes or any previous certification fails to remain valid before the sixth business day after the

Appendix 3 to the RFP Rules

Bid Date, I or the Representative will notify the Independent Evaluator of such changes as soon as practicable but in no event later than one (1) day before the Bid Date.

(4) This Part 1 Proposal will remain valid and remain in full force and effect until six (6) business days after the Bid Date.

(5) The RFP Bidder is not part of a bidding agreement, a joint venture for purposes of participating in any solicitation for this RFP, a bidding consortium, or any other type of agreement related to bidding in any solicitation of this RFP.

Signature of Officer

Date

Printed Name

Signature and Seal from Notary Public

Date

Second Item: Additional Representations for RFP Bidders that have not previously qualified

The Officer of the RFP Bidder must make a number of certifications as detailed in the RFP Rules. **THE OFFICER OF THE RFP BIDDER MAKES SUCH CERTIFICATIONS BY COMPLETING THE P1 CERTIFICATIONS B INSERT.** The P1 Certifications B Insert is also labelled INSERT #P1-7.

PLEASE REFER TO THE P1 CERTIFICATIONS B INSERT (#P1-7) FOR THE ACCEPTABLE METHODS TO COMPLETE AND SUBMIT THIS INSERT.

Name of RFP Bidder

 **P1 CERTIFICATIONS (B) INSERT (#P1-7)**

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE OR A NOTARIZED SIGNATURE FOR THIS INSERT.

This Insert may be completed as follows:

- *Signed by the Officer of the RFP Bidder with the signature notarized;*

or:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory. Digital signatures are not required to be notarized.*

This Insert and any accompanying document or information may be submitted as follows:

Appendix 3 to the RFP Rules

- *Uploaded to the online Part 1 Form;*
- or:*
- *Sent by email to the Independent Evaluator at PECOProcurement@nera.com.*

An RFP Bidder found to be acting in concert with another RFP Bidder may be disqualified by the Independent Evaluator.

I certify that:

- (1) I understand the terms of the Uniform SMA. The RFP Bidder accepts all of the terms of the Uniform SMA without modifications, and the RFP Bidder will execute the Uniform SMA and the Transaction Confirmation(s) for all Bids approved by the Commission.
- (2) The submission of this Part 1 Proposal constitutes the RFP Bidder’s acknowledgement and acceptance of all the terms and conditions of the RFP, regardless of the outcome of the solicitation or the outcome of such Proposal.
- (3) The RFP Bidder has no actions at law, suits in equity, proceedings or claims pending or, to the RFP Bidder’s knowledge, threatened against it before any federal, state, foreign or local court, tribunal or governmental agency or authority that might materially delay, prevent or hinder the RFP Bidder’s performance of its obligations under the Uniform SMA.
- (4) The RFP Bidder is not bankrupt or insolvent and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming bankrupt or insolvent.

Signature of Officer

Date

Printed Name

Signature and Seal from Notary Public

Date

Third Item: Load Serving Entity

By the time service begins, a Default Supplier must be a Load Serving Entity (“LSE”) in good standing in PJM, and must be a signatory of all applicable PJM Agreements, including the Reliability Assurance Agreement (“RAA”).

Is the RFP Bidder an LSE in PJM?

- Yes** **No**

Appendix 3 to the RFP Rules

Yes

THE RFP BIDDER MUST PROVIDE A COPY OF THE SIGNATURE PAGE OF THE RELIABILITY ASSURANCE AGREEMENT (“RAA”).

	<i>Signature Page of RAA</i>
---	------------------------------

If the name of the signatory is not the same as the RFP Bidder, please provide evidence of a name change.

	<i>Evidence of name change (if necessary)</i>
---	---

No

THE OFFICER OF THE RFP BIDDER MUST MAKE THE CERTIFICATIONS DETAILED IN THE RFP RULES BY COMPLETING THE LSE REPRESENTATION INSERT. The LSE Representation Insert is also labelled INSERT #P1-9.

PLEASE REFER TO THE LSE REPRESENTATION INSERT (#P1-9) FOR THE ACCEPTABLE METHODS TO COMPLETE AND SUBMIT THIS INSERT. IF THIS INSERT IS NOT COMPLETED WITH A DIGITAL SIGNATURE, IT MUST BE SENT BY EMAIL TO THE INDEPENDENT EVALUATOR AT PECOPROUREMENT@NERA.COM BY THE SIGNATORY (HERE THE OFFICER OF THE RFP BIDDER) OR WITH THE SIGNATORY ON COPY.

Name of RFP Bidder

 **LSE REPRESENTATION INSERT (#P1-9)**

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE FOR THIS INSERT. THE INDEPENDENT EVALUATOR IS ALSO ACCEPTING AN ELECTRONIC SIGNATURE OR A SCANNED WET SIGNATURE AS LONG AS THIS INSERT IS SENT BY EMAIL BY THE SIGNATORY OR WITH THE SIGNATORY ON COPY.

This Insert may be completed as follows:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory.*

If completed with a digital signature, this Insert and accompanying document or information may be uploaded to the online Part 1 Form or may be sent by email to the Independent Evaluator at PECOProurement@NERA.com.

Appendix 3 to the RFP Rules

This Insert may also be completed as follows:

- Submitted with a scanned wet signature;

or

- Submitted with an electronic signature (such as an image of a signature).

If completed with a scanned or electronic signature, this Insert must be sent by email to the Independent Evaluator at PECOProcurement@NERA.com by the signatory (here the Officer of the RFP Bidder) or with the signatory on copy.

Please note! ONLY RFP Bidders that are NOT PJM LSEs are required to submit this Insert.

I, _____ (the Officer of the RFP Bidder), certify that the RFP Bidder has investigated the requirements to become an LSE in PJM and that there exist no impediments for the RFP Bidder to become an LSE by the start of the supply period and to remain an LSE for the duration of the supply period. The RFP Bidder undertakes to be qualified as a PJM LSE by the start of the supply period should the RFP Bidder become a Default Supplier.

Signature of Officer

Date

5. Foreign RFP Bidders and Foreign Entities

Is the RFP Bidder a Foreign Entity, or is the RFP Bidder relying on the financial standing of a Foreign Entity as RFP Guarantor, or is the RFP Bidding submitting a Proposal under an Agency Agreement with a Foreign Entity as Principal?

Yes No

Yes

AN RFP BIDDER THAT IS A FOREIGN RFP BIDDER, OR THAT IS RELYING ON THE FINANCIAL STANDING OF A FOREIGN ENTITY AS RFP GUARANTOR, OR RFP BIDDERS SUBMITTING A PROPOSAL UNDER AN AGENCY AGREEMENT WITH A FOREIGN ENTITY AS PRINCIPAL IS REQUIRED TO PROVIDE ADDITIONAL INFORMATION AS SPECIFIED IN THE SECTION IV.5 OF THE RFP RULES BY COMPLETING THE APPLICABLE INSERT AND PROVIDING ASSOCIATED DOCUMENTS. An RFP Bidder that is a Foreign RFP Bidder is required to complete the P1 Foreign Bidder Insert, also labelled INSERT #P1-10. An RFP Bidder relying on the financial standing of a Foreign RFP Guarantor is required to complete the P1 Foreign Guarantor Insert, also labelled INSERT #P1-11. An RFP Bidder submitting a Proposal under an Agency Agreement with a Foreign Entity as Principal is required to complete the P1 Foreign Principal Insert, also labelled INSERT #P1-12.

Appendix 3 to the RFP Rules

PLEASE REFER TO THE P1 FOREIGN BIDDER INSERT (#P1-10), P1 FOREIGN GUARANTOR INSERT (#P1-11), OR P1 FOREIGN PRINCIPAL INSERT (#P1-12) FOR THE ACCEPTABLE METHODS TO COMPLETE AND SUBMIT THE INSERT. IF THE INSERT IS NOT COMPLETED WITH A DIGITAL SIGNATURE, IT MUST BE SENT BY EMAIL TO THE INDEPENDENT EVALUATOR AT PECOPROUREMENT@NERA.COM BY THE SIGNATORY (HERE THE OFFICER OF THE RFP BIDDER) OR WITH THE SIGNATORY ON COPY.

	<i>Insert (P1 Foreign Bidder Insert #P1-10, P1 Foreign Guarantor Insert #P1-11, OR P1 Foreign Principal Insert #P1-12)</i>
	<i>Additional Evidence of Creditworthiness</i>
	<i>Additional Evidence of Creditworthiness</i>
	<i>Draft legal opinion</i>
	<i>Draft sworn certificate</i>
	<i>Draft sworn certificate</i>

Name of RFP Bidder

 **P1 FOREIGN BIDDER INSERT (#P1-10)**

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE FOR THIS INSERT. THE INDEPENDENT EVALUATOR IS ALSO ACCEPTING AN ELECTRONIC SIGNATURE OR A SCANNED WET SIGNATURE AS LONG AS THIS INSERT IS SENT BY EMAIL BY THE SIGNATORY OR WITH THE SIGNATORY ON COPY.

This Insert may be completed as follows:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory.*

If completed with a digital signature, this Insert and accompanying document or information may be uploaded to the online Part 1 Form or may be sent by email to the Independent Evaluator at PECOPROUREMENT@NERA.COM.

This Insert may also be completed as follows:

- *Submitted with a scanned wet signature;*
- or*
- *Submitted with an electronic signature (such as an image of a signature).*

If completed with a scanned or electronic signature, this Insert must be sent by email to the Independent Evaluator at PECOProcurement@NERA.com by the signatory (here the Officer of the RFP Bidder) or with the signatory on copy.

Please note! ONLY Foreign RFP Bidders are required to submit this Insert.

First Item: Evidence of Creditworthiness

In addition to supplying all required information and documents elsewhere in the online Part 1 Form, a Foreign RFP Bidder may provide any additional evidence of creditworthiness for the Foreign RFP Bidder so as to provide PECO with comparable assurances of creditworthiness as is applicable for an entity that has been incorporated or otherwise formed under the laws of a state of the United States or of the District of Columbia.

Are you submitting additional evidence of creditworthiness for the Foreign RFP Bidder?

Yes No

PLEASE PROVIDE SUCH ADDITIONAL EVIDENCE OF CREDITWORTHINESS IN THE SPACES RESERVED FOR THAT PURPOSE IN THE ONLINE PART 1 FORM OR BY EMAIL TO PECOPROCUREMENT@NERA.COM.

Second Item: Acknowledgment

THE OFFICER OF THE RFP BIDDER MUST MAKE THE FOLLOWING REPRESENTATION.

I, _____ (the Officer of the RFP Bidder), acknowledge that the following additional documents are required with the Part 2 Proposal: (i) a legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the Foreign RFP Bidder is incorporated or otherwise formed that the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the Foreign RFP Bidder in the jurisdiction in which it has been incorporated or otherwise formed; (ii) the sworn certificate of the corporate secretary (or similar officer) of such Foreign RFP Bidder that the person executing the Uniform SMA on behalf of the Foreign RFP Bidder has the authority to execute the Uniform SMA and that the governing board of such Foreign RFP Bidder has approved the execution of the Uniform SMA; and (iii) the sworn certificate of the corporate secretary (or similar officer) of such Foreign RFP Bidder that the Foreign RFP Bidder has been authorized by its governing board to enter into agreements of the same type as the Uniform SMA.

Signature of Officer

Date

Third Item: Draft Documents

The Officer of the RFP Bidder has acknowledged in the immediately preceding certifications that additional documents are required with the Part 2 Proposal. **THE RFP BIDDER MAY, BUT IS NOT REQUIRED TO, SUBMIT A DRAFT OF THESE DOCUMENTS.**

Are you submitting a draft of any of these additional documents for evaluation?

Yes

No

PLEASE PROVIDE ANY SUCH DOCUMENTS IN THE SPACES RESERVED FOR THAT PURPOSE IN THE ONLINE PART 1 FORM OR BY EMAIL TO PECOPROUREMENT@NERA.COM.

Name of RFP Bidder

 **P1 FOREIGN GUARANTOR INSERT (#P1-11)**

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE FOR THIS INSERT. THE INDEPENDENT EVALUATOR IS ALSO ACCEPTING AN ELECTRONIC SIGNATURE OR A SCANNED WET SIGNATURE AS LONG AS THIS INSERT IS SENT BY EMAIL BY THE SIGNATORY OR WITH THE SIGNATORY ON COPY.

This Insert may be completed as follows:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory.*

If completed with a digital signature, this Insert and accompanying document or information may be uploaded to the online Part 1 Form or may be sent by email to the Independent Evaluator at PECOProurement@NERA.com.

This Insert may also be completed as follows:

- *Submitted with a scanned wet signature;*

or

- *Submitted with an electronic signature (such as an image of a signature).*

If completed with a scanned or electronic signature, this Insert must be sent by email to the Independent Evaluator at PECOProurement@NERA.com by the signatory (here the Officer of the RFP Bidder) or with the signatory on copy.

under the terms of the Uniform SMA. **THE RFP BIDDER MAY, BUT IS NOT REQUIRED TO, SUBMIT A DRAFT OF THESE DOCUMENTS.**

Are you submitting a draft of any of these additional documents for evaluation?

Yes

No

PLEASE PROVIDE ANY SUCH DOCUMENTS IN THE SPACES RESERVED FOR THAT PURPOSE IN THE ONLINE PART 1 FORM OR BY EMAIL TO PECOPROUREMENT@NERA.COM.

Name of RFP Bidder

 **P1 FOREIGN PRINCIPAL INSERT (#P1-12)**

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE FOR THIS INSERT. THE INDEPENDENT EVALUATOR IS ALSO ACCEPTING AN ELECTRONIC SIGNATURE OR A SCANNED WET SIGNATURE AS LONG AS THIS INSERT IS SENT BY EMAIL BY THE SIGNATORY OR WITH THE SIGNATORY ON COPY.

This Insert may be completed as follows:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory.*

If completed with a digital signature, this Insert and accompanying document or information may be uploaded to the online Part 1 Form or may be sent by email to the Independent Evaluator at PECOProcurement@NERA.com.

This Insert may also be completed as follows:

- *Submitted with a scanned wet signature;*

or

- *Submitted with an electronic signature (such as an image of a signature).*

If completed with a scanned or electronic signature, this Insert must be sent by email to the Independent Evaluator at PECOProcurement@NERA.com by the signatory (here the Officer of the RFP Bidder) or with the signatory on copy.

Please note! ONLY RFP Bidders submitting a Proposal under an Agency Agreement with a Foreign Entity as Principal are required to submit this Insert.

First Item: Evidence of Creditworthiness

In addition to supplying all required information and documents elsewhere in the online Part 1 Form, an RFP Bidder submitting a Proposal under an Agency Agreement with a Foreign Entity as RFP Principal may provide any additional evidence of creditworthiness for the RFP Principal so as to provide PECO with comparable assurances of creditworthiness as is applicable for an entity that has been incorporated or otherwise formed under the laws of a state of the United States or of the District of Columbia.

Are you submitting additional evidence of creditworthiness for the Foreign Principal?

Yes No

PLEASE PROVIDE SUCH ADDITIONAL EVIDENCE OF CREDITWORTHINESS IN THE SPACES RESERVED FOR THAT PURPOSE IN THE ONLINE PART 1 FORM OR BY EMAIL TO PECOPROUREMENT@NERA.COM.

Second Item: Acknowledgment

THE OFFICER OF THE RFP BIDDER MUST MAKE THE FOLLOWING REPRESENTATION.

I, _____ (the Officer of the RFP Bidder), acknowledge that the following additional documents are required with the Part 2 Proposal: (i) a legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the Principal is incorporated or otherwise formed that the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the Principal in the jurisdiction in which it has been incorporated or otherwise formed; and (ii) the sworn certificate of the corporate secretary (or similar officer) of such Principal that the Principal has been authorized by its governing board to enter into agreements of the same type as the Uniform SMA.

Signature of Officer

Date

Third Item: Draft Documents

The Officer of the RFP Bidder has acknowledged in the immediately preceding certifications that additional documents are required with the Part 2 Proposal. **THE RFP BIDDER MAY, BUT IS NOT REQUIRED TO, SUBMIT A DRAFT OF THESE DOCUMENTS.**

Are you submitting a draft of any of these additional documents for evaluation?

Yes No

PLEASE PROVIDE ANY SUCH DOCUMENTS IN THE SPACES RESERVED FOR THAT PURPOSE IN THE ONLINE PART 1 FORM OR BY EMAIL TO PECOPROUREMENT@NERA.COM.

Appendix 3 to the RFP Rules

<input checked="" type="checkbox"/> No The requirements of this section do not apply to you.
--

Appendix 3 to the RFP Rules

6. Justification of Omissions

If you are unable to provide all documents or information required with this online Part 1 Form, please justify fully any omissions in the space provided below.

If you are providing additional documents, such as providing the Part 2 Form certifications for early processing, please use the spaces below to upload these documents.

	<i>File upload</i>
	<i>File upload</i>
	<i>File upload</i>

APPENDIX 4 – ILLUSTRATIVE SHORT PART 1 FORM DEFAULT SERVICE PROGRAM REQUEST FOR PROPOSALS

PECO Energy Company (“Company” or “PECO”) is intending to obtain full requirements electric supply to meet a portion of its obligations as Default Service Provider through this Request for Proposals (“RFP”).

This Short Part 1 Form may only be used by an entity that has submitted a successful Part 1 Proposal in a previous solicitation under PECO’s current Default Service Program (“DSP VI”). However, if there was a change in the corporate structure of the RFP Bidder, or if the identity of the entity on whose financial standing the RFP Bidder relies has changed, the RFP Bidder must use the Standard Part 1 Form.

Before completing this online Part 1 Form, please review the RFP, including the PECO Energy Company Pennsylvania Default Service Supplier Master Agreement (“Uniform SMA”), so that you understand the conditions under which the RFP will be conducted. These documents are posted at www.PECOprocurement.com.

By submitting a Part 1 Proposal in response to this RFP, you are agreeing to all terms and conditions of this RFP.

Any information provided by an RFP Bidder in the Part 1 Proposal is provided on a confidential basis to the Independent Evaluator, and may be provided on a confidential basis to the Staff of the Pennsylvania Public Utility Commission. PECO representatives will review financial information and will participate in the evaluation of the creditworthiness of each RFP Bidder. Information regarding the content or status of any Part 1 Proposal will not be released publicly or to any individual RFP Bidder during the evaluation process.

SHORT PART 1 FORM

GENERAL INSTRUCTIONS on the RFP Bidders that can use this form:

- This Short Part 1 Form is for the exclusive use of RFP Bidders that successfully submitted a Part 1 Proposal in a previous solicitation under DSP VI. If you are not eligible under this criterion, **please use the Standard Part 1 Form.**
- If there is a change in the corporate structure of the RFP Bidder (through a merger for example) since you last submitted a successful Part 1 Proposal in a previous solicitation under DSP VI, **please use the Standard Part 1 Form.**
- If the entity on whose financial standing the RFP Bidder relies changed since you last submitted a successful Part 1 Proposal in a previous solicitation under DSP VI, **please use the Standard Part 1 Form.**

Appendix 4 to the RFP Rules

1. Contact Information and Representations

First Item: Name and Address of the RFP Bidder

PLEASE PROVIDE THE RFP BIDDER'S LEGAL NAME AND ADDRESS.

Legal Name of RFP Bidder

Street Address Line 1

Street Address Line 2

City

State

Zip Code

IF THE LEGAL NAME OF THE RFP BIDDER HAS CHANGED NAME SINCE THE RFP BIDDER LAST SUBMITTED A SUCCESSFUL PART 1 PROPOSAL, PLEASE PROVIDE EVIDENCE OF THE CHANGE.

	<i>Evidence of name change (if necessary)</i>
---	---

Second Item: Officer of the RFP Bidder

The Officer of the RFP Bidder must be an officer, a director, or an individual otherwise authorized to undertake contracts (including the Uniform SMA) and bind the RFP Bidder. The Officer of the RFP Bidder whose contact information is provided in this online Part 1 Form must:

- make all representations required by the Part 1 Proposal requirements; and
- make all representations required by the Part 2 Proposal requirements.

PLEASE PROVIDE THE NAME AND CONTACT INFORMATION FOR THE OFFICER OF THE RFP BIDDER.

First Name

Last Name

Title

Street Address Line 1

Street Address Line 2

City

State

Zip Code

Business Phone No.

Cell Phone No.

Email Address

Appendix 4 to the RFP Rules

Third Item: Representative of the RFP Bidder

The Independent Evaluator uses the Representative as the main point of contact for the RFP Bidder.

PLEASE PROVIDE THE NAME AND CONTACT INFORMATION FOR THE REPRESENTATIVE OF THE RFP BIDDER.
The Officer of the RFP Bidder may also serve as the Representative.

<i>First Name</i>	<input type="text"/>	<i>Last Name</i>	<input type="text"/>
<i>Title</i>	<input type="text"/>		
<i>Street Address Line 1</i>	<input type="text"/>		
<i>Street Address Line 2</i>	<input type="text"/>		
<i>City</i>	<input type="text"/>	<i>State</i>	<input type="text"/>
		<i>Zip Code</i>	<input type="text"/>
<i>Business Phone No.</i>	<input type="text"/>	<i>Cell Phone No.</i>	<input type="text"/>
		<i>Email Address</i>	<input type="text"/>

THE OFFICER OF THE RFP BIDDER MUST DESIGNATE THE INDIVIDUAL NAMED IN THE ONLINE PART 1 FORM TO SERVE AS THE REPRESENTATIVE OF THE RFP BIDDER BY COMPLETING THE REPRESENTATIVE INSERT. The Representative Insert is also labelled INSERT #P1-1.

PLEASE REFER TO THE REPRESENTATIVE INSERT (#P1-1) FOR THE ACCEPTABLE METHODS TO COMPLETE AND SUBMIT THIS INSERT. IF THIS INSERT IS NOT COMPLETED WITH A DIGITAL SIGNATURE, IT MUST BE SENT BY EMAIL TO THE INDEPENDENT EVALUATOR AT PECOPROUREMENT@NERA.COM BY THE SIGNATORY (HERE THE OFFICER OF THE RFP BIDDER) OR WITH THE SIGNATORY ON COPY.

Name of RFP Bidder

 **REPRESENTATIVE INSERT (#P1-1)**

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE FOR THIS INSERT. THE INDEPENDENT EVALUATOR IS ALSO ACCEPTING AN ELECTRONIC SIGNATURE OR A SCANNED WET SIGNATURE AS LONG AS THIS INSERT IS SENT BY EMAIL BY THE SIGNATORY OR WITH THE SIGNATORY ON COPY.

This Insert may be completed as follows:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory.*

Appendix 4 to the RFP Rules

If completed with a digital signature, this Insert and accompanying document or information may be uploaded to the online Part 1 Form or may be sent by email to the Independent Evaluator at PECOProcurement@NERA.com.

This Insert may also be completed as follows:

- *Submitted with a scanned wet signature;*

or

- *Submitted with an electronic signature (such as an image of a signature).*

If completed with a scanned or electronic signature, this Insert must be sent by email to the Independent Evaluator at PECOProcurement@NERA.com by the signatory (here the Officer of the RFP Bidder) or with the signatory on copy.

THE OFFICER OF THE RFP BIDDER MUST DESIGNATE THE INDIVIDUAL WHOSE CONTACT INFORMATION IS PROVIDED IN THE ONLINE PART 1 FORM AS THE REPRESENTATIVE.

I, _____ (the Officer of the RFP Bidder) hereby designate _____ (name of the Representative) to serve as the Representative of the RFP Bidder.

Signature of Officer

Date

Fourth Item: Nominees

The Independent Evaluator provides notifications to the RFP Bidder by email and provides documents needed for participation by secure file transfer. Any such notification will be deemed received by the RFP Bidder at the time of delivery or transmission, provided that where delivery or transmission occurs after 6 PM on a business day or occurs on a day that is not a business day, receipt will be deemed to occur at 9 AM on the following business day.

The RFP Bidder may designate up to three (3) authorized individuals (each called a “Nominee”) to receive communications from the Independent Evaluator in addition to the Representative. The RFP Bidder may make such a designation at any time during the solicitation.

Nominees are designated for a single solicitation and previously submitted designations are not saved for use in subsequent solicitations.

Is the RFP Bidder designating Nominees at this time?

Yes

No

Appendix 4 to the RFP Rules

THE REPRESENTATIVE OF THE RFP BIDDER OR THE OFFICER OF THE RFP BIDDER DESIGNATES NOMINEES BY COMPLETING THE NOMINEE INSERT. The Nominee Insert is also labelled INSERT #P1-2.

PLEASE REFER TO THE NOMINEE INSERT (#P1-2) FOR THE ACCEPTABLE METHODS TO COMPLETE AND SUBMIT THIS INSERT. IF THIS INSERT IS NOT COMPLETED WITH A DIGITAL SIGNATURE, IT MUST BE SENT BY EMAIL TO THE INDEPENDENT EVALUATOR AT PECOPROCUREMENT@NERA.COM BY THE SIGNATORY (HERE THE OFFICER OF THE RFP BIDDER OR THE REPRESENTATIVE OF THE RFP BIDDER) OR WITH THE SIGNATORY ON COPY.

Name of RFP Bidder

 **NOMINEE INSERT (#P1-2)**

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE FOR THIS INSERT. THE INDEPENDENT EVALUATOR IS ALSO ACCEPTING AN ELECTRONIC SIGNATURE OR A SCANNED WET SIGNATURE AS LONG AS THIS INSERT IS SENT BY EMAIL BY THE SIGNATORY OR WITH THE SIGNATORY ON COPY.

This Insert may be completed as follows:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory.*

If completed with a digital signature, this Insert and accompanying document or information may be uploaded to the online Part 1 Form or may be sent by email to the Independent Evaluator at PECOPROCUREMENT@NERA.COM.

This Insert may also be completed as follows:

- *Submitted with a scanned wet signature;*
- or
- *Submitted with an electronic signature (such as an image of a signature).*

If completed with a scanned or electronic signature, this Insert must be sent by email to the Independent Evaluator at PECOPROCUREMENT@NERA.COM by the signatory (here the Officer of the RFP Bidder or the Representative of the RFP Bidder) or with the signatory on copy.

Please note! This insert is optional.

I, _____ (the Officer of the RFP Bidder or the Representative of the RFP Bidder) authorize the individuals whose contact details are immediately below to receive communications from the Independent Evaluator and to act on behalf of the RFP Bidder during the Proposal submission process.

Signature

Date

Contact Information for Nominee #1

First Name

Last Name

Title

Business Phone No.

Cell Phone No.

Email Address

Contact Information for Nominee #2

First Name

Last Name

Title

Business Phone No.

Cell Phone No.

Email Address

Contact Information for Nominee #3

First Name

Last Name

Title

Business Phone No.

Cell Phone No.

Email Address

Notes (optional)

The RFP Bidder may provide additional information here, such as the period during which a particular individual will act as Nominee or the individual that a Nominee is replacing.

Appendix 4 to the RFP Rules

2.a. Information Required for RFP Bidders Relying on Their Own Financial Standing.

You previously elected the RFP Bidder as the entity on whose financial standing the RFP Bidder is relying. **IF THE ENTITY UPON WHOSE FINANCIAL STANDING THE RFP BIDDER IS RELYING HAS CHANGED, YOU MUST USE THE STANDARD PART 1 FORM. PLEASE CONTACT THE INDEPENDENT EVALUATOR AT PECOPROUREMENT@NERA.COM TO BE GRANTED ACCESS TO USE THE STANDARD PART 1 FORM.**

First Item: Financial Information

IF AVAILABLE, PLEASE PROVIDE THE MOST RECENT QUARTERLY FINANCIAL INFORMATION FOR THE RFP BIDDER, including a balance sheet, income statement, cash flow statement, and any accompanying notes and schedules:

- **IF AVAILABLE, YOU MUST PROVIDE THE MOST RECENT SECURITIES AND EXCHANGE COMMISSION (“SEC”) FORM 10-Q OR 10-K (WHICHEVER IS MORE RECENT) TO FULFILL THIS REQUIREMENT;**
- **IF THE SEC FORM 10-Q OR 10-K IS UNAVAILABLE, PLEASE PROVIDE, IF AVAILABLE, THE RFP BIDDER’S MOST RECENT QUARTERLY, MONTHLY, OR BI-ANNUAL FINANCIAL INFORMATION accompanied by an attestation by the Chief Financial Officer (or similar position) that the information contained in the financial statements fairly presents in all material respects the financial condition and results of the operations of the RFP Bidder. The requirements for this attestation are provided more specifically in Appendix 5 of the RFP Rules.**

	<i>Most recent quarterly financial information (or, if unavailable, most recent monthly or bi-annual financial information accompanied by an attestation by the Chief Financial Officer)</i> IF THE INFORMATION IS UNAVAILABLE, PLEASE SO STATE IN THE JUSTIFICATION OF OMISSIONS SECTION.
	<i>Attestation from Chief Financial Officer if necessary.</i>

Second Item: Credit Ratings

PLEASE PROVIDE THE CREDIT RATINGS FOR THE RFP BIDDER.

Is the RFP Bidder rated by S&P Global Ratings (“S&P”)?

Yes **No**

RFP Bidder’s rating: _____
Type of rating (check one): <input type="checkbox"/> Senior unsecured debt rating <input type="checkbox"/> Corporate issuer rating

Is the RFP Bidder rated by Moody’s Investors Service, Inc. (“Moody’s”)?

Yes **No**

RFP Bidder’s rating: _____
Type of rating (check one): <input type="checkbox"/> Senior unsecured debt rating <input type="checkbox"/> Corporate issuer rating

Is the RFP Bidder rated by Fitch, Inc. (“Fitch”)?

Yes **No**

Appendix 4 to the RFP Rules

RFP Bidder's rating: _____
Type of rating (**check one**): Senior unsecured debt rating Corporate issuer rating

2.b. Information Required from RFP Bidders Relying on the Financial Standing of an RFP Guarantor

You previously elected an RFP Guarantor as the entity on whose financial standing the RFP Bidder is relying. The Independent Evaluator will provide to you the Legal Name of the RFP Guarantor that you submitted previously upon request. **IF THE ENTITY UPON WHOSE FINANCIAL STANDING THE RFP BIDDER IS RELYING HAS CHANGED, YOU MUST USE THE STANDARD PART 1 FORM. IF THERE WAS A CHANGE IN THE CORPORATE STRUCTURE OF THE RFP GUARANTOR, THROUGH A MERGER FOR EXAMPLE, YOU MUST USE THE STANDARD PART 1 FORM. PLEASE CONTACT THE INDEPENDENT EVALUATOR AT PECOPROUREMENT@NERA.COM TO RECEIVE INSTRUCTIONS ON THE FORM THAT YOU SHOULD USE.**

First Item: Name and Address of RFP Guarantor

PLEASE PROVIDE THE LEGAL NAME AND ADDRESS FOR THE RFP GUARANTOR.

Legal Name of RFP Guarantor

Street Address

City

State

Zip Code

IF THE LEGAL NAME OF THE RFP GUARANTOR HAS CHANGED SINCE THE RFP BIDDER LAST SUBMITTED A SUCCESSFUL PART 1 PROPOSAL, PLEASE PROVIDE EVIDENCE OF THE CHANGE.

	Evidence of name change (if necessary)
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Second Item: Financial Information

Financial information must be available for the RFP Guarantor.

PLEASE PROVIDE THE MOST RECENT QUARTERLY FINANCIAL INFORMATION FOR THE RFP GUARANTOR, including a balance sheet, income statement, cash flow statement, and any accompanying notes and schedules:

- **IF AVAILABLE, YOU MUST PROVIDE THE MOST RECENT SECURITIES AND EXCHANGE COMMISSION (“SEC”) FORM 10-Q OR 10-K (WHICHEVER IS MORE RECENT) TO FULFILL THIS REQUIREMENT;**
- **IF THE SEC FORM 10-Q OR 10-K IS UNAVAILABLE, YOU MUST PROVIDE THE RFP GUARANTOR’S MOST RECENT QUARTERLY, MONTHLY, OR BI-ANNUAL FINANCIAL INFORMATION accompanied by an attestation by the Chief Financial Officer (or similar position) that the information contained in the**

Appendix 4 to the RFP Rules

financial statements fairly presents in all material respects the financial condition and results of the operations of the RFP Bidder. The requirements for this attestation are provided more specifically in Appendix 5 of the RFP Rules.

	<i>Most recent quarterly financial information (or, if unavailable, most recent monthly or bi-annual financial information accompanied by an attestation by the Chief Financial Officer)</i>
	<i>Attestation from Chief Financial Officer (if necessary)</i>

Third Item: Credit Ratings

PLEASE PROVIDE THE CREDIT RATINGS FOR THE RFP GUARANTOR.

Is the RFP Guarantor rated by S&P Global Ratings (“S&P”)?

Yes **No**

RFP Guarantor’s rating: _____
Type of rating (check one): <input type="checkbox"/> Senior unsecured debt rating <input type="checkbox"/> Corporate issuer rating

Is the RFP Guarantor rated by Moody’s Investors Service, Inc. (“Moody’s”)?

Yes **No**

RFP Guarantor’s rating: _____
Type of rating (check one): <input type="checkbox"/> Senior unsecured debt rating <input type="checkbox"/> Corporate issuer rating

Is the RFP Guarantor rated by Fitch, Inc. (“Fitch”)?

Yes **No**

RFP Guarantor’s rating: _____
Type of rating (check one): <input type="checkbox"/> Senior unsecured debt rating <input type="checkbox"/> Corporate issuer rating

2.c. Information Required from RFP Bidders Relying on the Financial Standing of an RFP Principal

You previously elected a Principal as the entity on whose financial standing the RFP Bidder is relying; the RFP Bidder is submitting a Proposal under an Agency Agreement. **IF THE ENTITY UPON WHOSE FINANCIAL STANDING THE RFP BIDDER IS RELYING HAS CHANGED YOU MUST USE THE STANDARD PART 1 FORM. PLEASE CONTACT THE INDEPENDENT EVALUATOR AT PECOPROUREMENT@NERA.COM TO RECEIVE INSTRUCTIONS ON THE FORM THAT YOU SHOULD USE.**

AN RFP BIDDER SUBMITTING A PROPOSAL UNDER AN AGENCY AGREEMENT IS REQUIRED TO PROVIDE FINANCIAL INFORMATION REGARDING THE PRINCIPAL AS WELL AS OTHER INFORMATION REGARDING THE AGENCY AGREEMENT AS SPECIFIED IN THE RFP RULES.

First Item: Principals to the Agency Agreement

Appendix 4 to the RFP Rules

PLEASE PROVIDE THE LEGAL NAME(S) OF THE PRINCIPAL(S) TO THE AGENCY AGREEMENT.

Legal Name of Principal(s)

Second Item: Agency Agreement

The Independent Evaluator will provide to you the Agency Agreement that you submitted previously (if any) upon request.

Has the Agency Agreement changed since the RFP Bidder last submitted a successful Part 1 Proposal?

- Yes
- No

A copy of the Agency Agreement is required. PLEASE PROVIDE ONE (1) COPY OF THE AGENCY AGREEMENT.

	<i>Agency Agreement</i>
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Third Item: Principal on Whose Financial Standing the RFP Bidder is Relying

Please provide the Legal Name and Address of the Principal on whose financial standing the RFP Bidder is relying. The Independent Evaluator will provide to you the Legal Name of the Principal that you submitted previously upon request.

- If there are several Principals in the Agency Agreement, you must identify the Principal with the lowest credit rating.
- If several Principals have the same lowest credit rating, you must identify the Principal among these that also has the lowest tangible net worth.

The Principal on whose financial standing the RFP Bidder is relying is referred to as the “RFP Principal”.

Legal Name of RFP Principal

Street Address

City

State

Zip Code

IF THE LEGAL NAME OF THE PRINCIPAL HAS CHANGED, MORE INFORMATION MAY BE REQUIRED.

Fourth Item: Financial Information

Financial information must be available for the Principal on whose financial standing the RFP Bidder is relying.

PLEASE PROVIDE THE MOST RECENT QUARTERLY FINANCIAL INFORMATION FOR THE PRINCIPAL ON WHOSE FINANCIAL STANDING THE RFP BIDDER IS RELYING, including a balance sheet, income statement, cash flow statement, and any accompanying notes and schedules:

- **IF AVAILABLE, YOU MUST PROVIDE THE MOST RECENT SECURITIES AND EXCHANGE COMMISSION (“SEC”) FORM 10-Q OR 10-K (WHICHEVER IS MORE RECENT) TO FULFILL THIS REQUIREMENT;**
- **IF THE SEC FORM 10-Q OR 10-K IS UNAVAILABLE, YOU MUST PROVIDE THE RFP PRINCIPAL’S MOST RECENT QUARTERLY, MONTHLY, OR BI-ANNUAL FINANCIAL INFORMATION** accompanied by an attestation by the Chief Financial Officer (or similar position) that the information contained in the financial statements fairly presents in all material respects the financial condition and results of the operations of the RFP Bidder. The requirements for this attestation are provided more specifically in Appendix 5 of the RFP Rules.

	<i>Most recent quarterly financial information (or, if unavailable, most recent monthly or bi-annual financial information accompanied by an attestation by the Chief Financial Officer)</i>
	<i>Attestation from Chief Financial Officer (if necessary)</i>

Fifth Item: Credit Ratings

PLEASE PROVIDE THE CREDIT RATINGS FOR THE RFP PRINCIPAL.

Is the Principal rated by S&P Global Ratings (“S&P”)?

Yes **No**

Principal’s rating: _____ Type of rating (check one): <input type="checkbox"/> Senior unsecured debt rating <input type="checkbox"/> Corporate issuer rating
--

Is the Principal rated by Moody’s Investors Service, Inc. (“Moody’s”)?

Yes **No**

Principal’s rating: _____ Type of rating (check one): <input type="checkbox"/> Senior unsecured debt rating <input type="checkbox"/> Corporate issuer rating
--

Is the Principal rated by Fitch, Inc. (“Fitch”)?

Yes **No**

Principal’s rating: _____ Type of rating (check one): <input type="checkbox"/> Senior unsecured debt rating <input type="checkbox"/> Corporate issuer rating
--

Sixth Item: Certification

Appendix 4 to the RFP Rules

THE OFFICER OF THE RFP BIDDER SUBMITTING A PROPOSAL UNDER AN AGENCY AGREEMENT IS REQUIRED TO MAKE A CERTAIN REPRESENTATION BY COMPLETING THE P1 AGENCY CERTIFICATIONS (#P1-3). The P1 Agency Certifications Insert is also labelled INSERT #P1-3.

PLEASE REFER TO THE AGENCY CERTIFICATIONS INSERT (#P1-3) FOR THE ACCEPTABLE METHODS TO COMPLETE AND SUBMIT THIS INSERT. IF THIS INSERT IS NOT COMPLETED WITH A DIGITAL SIGNATURE, IT MUST BE SENT BY EMAIL TO THE INDEPENDENT EVALUATOR AT PECOPROUREMENT@NERA.COM BY THE SIGNATORY (HERE THE OFFICER OF THE RFP BIDDER) OR WITH THE SIGNATORY ON COPY.

Name of RFP Bidder

 **P1 AGENCY CERTIFICATIONS INSERT (#P1-3)**

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE FOR THIS INSERT. THE INDEPENDENT EVALUATOR IS ALSO ACCEPTING AN ELECTRONIC SIGNATURE OR A SCANNED WET SIGNATURE AS LONG AS THIS INSERT IS SENT BY EMAIL BY THE SIGNATORY OR WITH THE SIGNATORY ON COPY.

This Insert may be completed as follows:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory.*

If completed with a digital signature, this Insert and accompanying document or information may be uploaded to the online Part 1 Form or may be sent by email to the Independent Evaluator at PECOProurement@NERA.com.

This Insert may also be completed as follows:

- *Submitted with a scanned wet signature;*

or

- *Submitted with an electronic signature (such as an image of a signature).*

If completed with a scanned or electronic signature, this Insert must be sent by email to the Independent Evaluator at PECOProurement@NERA.com by the signatory (here the Officer of the RFP Bidder) or with the signatory on copy.

Please note! Only RFP Bidders submitting a Proposal under an Agency Agreement are required to complete this Insert.

THE OFFICER OF THE RFP BIDDER MUST MAKE THE FOLLOWING REPRESENTATION.

I, _____ (the Officer of the RFP Bidder), certify that I have the authority to bind the Principal(s) under the Agency Agreement provided with this Part 1 Proposal. I acknowledge that with the Part 2 Proposal, the RFP Bidder will be required to submit an Officers' Certificate signed by an officer of each Principal and substantially in the form of Appendix 6 to the RFP Rules.

Appendix 4 to the RFP Rules

_____ Signature of Officer	_____ Date
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Seventh Item: Draft Officers' Certificate

The RFP Bidder may, but is not required to, submit a draft Officers' Certificate for evaluation. If a draft Officers' Certificate is submitted for evaluation, the Independent Evaluator will inform the RFP Bidder of any changes required.

Is the RFP Bidder submitting a draft Officers' Certificate?

Yes No

PLEASE PROVIDE THE RFP BIDDER'S DRAFT OFFICERS' CERTIFICATE.

	<i>Draft Officers' Certificate</i>
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Appendix 4 to the RFP Rules

3. Credit Instruments and Uniform SMA

First Item: Standard Pre-Bid Letter of Credit

An RFP Bidder may request modifications to the Standard Pre-Bid Letter of Credit that are non-material in nature, or that are advantageous to both PECO and the RFP Bidder.

AN RFP BIDDER REQUESTS MODIFICATIONS TO THE STANDARD PRE-BID LETTER OF CREDIT BY SUBMITTING A DRAFT PRE-BID LETTER OF CREDIT SUBSTANTIALLY IN THE FORM OF THE STANDARD PRE-BID LETTER OF CREDIT INDICATING CLEARLY ANY AND ALL MODIFICATIONS TO THE STANDARD PRE-BID LETTER OF CREDIT USING TRACKED CHANGES IN MICROSOFT WORD.

All approved modifications to the Standard Pre-Bid Letter of Credit are posted to the RFP website. Each RFP Bidder may use any of the approved modifications, regardless of whether the RFP Bidder itself or another RFP Bidder proposed the modification.

Is the RFP Bidder submitting a Draft Pre-Bid Letter of Credit?

Yes No

Does the Draft Pre-Bid Letter of Credit contain the same requested modifications as a Draft Pre-Bid Letter of Credit submitted in a prior solicitation?

Yes No

No

A Draft Pre-Bid Letter of Credit that is not substantially in the form of the Standard Pre-Bid Letter of Credit will not be considered or evaluated. **PLEASE PROVIDE THE DRAFT PRE-BID LETTER OF CREDIT.**



Draft Pre-Bid Letter of Credit

Yes

A Draft Pre-Bid Letter of Credit that contains the same requested modifications as a prior submittal will not be reviewed again by PECO. To request the Independent Evaluator to email to you PECO's assessment of the prior submittal, please email such request to pecoprocmnt@nera.com.

Second Item: Standard Post-Bid Letter of Credit

An RFP Bidder may request modifications to the Standard Post-Bid Letter of Credit that are non-material in nature, or that are advantageous to both PECO and the RFP Bidder.

AN RFP BIDDER REQUESTS MODIFICATIONS TO THE STANDARD POST-BID LETTER OF CREDIT BY SUBMITTING A DRAFT POST-BID LETTER OF CREDIT SUBSTANTIALLY IN THE FORM OF THE STANDARD POST-BID LETTER OF CREDIT INDICATING CLEARLY ANY AND ALL MODIFICATIONS TO THE STANDARD POST-BID LETTER OF CREDIT USING TRACKED CHANGES IN MICROSOFT WORD.

All approved modifications to the Standard Post-Bid Letter of Credit are posted to the RFP website. Each RFP Bidder may use any of the approved modifications, regardless of whether the RFP Bidder itself or another RFP Bidder proposed the modification.

Appendix 4 to the RFP Rules

Is the RFP Bidder submitting a Draft Post-Bid Letter of Credit?

Yes No

Does the Draft Post-Bid Letter of Credit contain the same requested modifications as a Draft Post-Bid Letter of Credit submitted in a prior solicitation?

Yes No

No

A Draft Post-Bid Letter of Credit that is not substantially in the form of the Standard Post-Bid Letter of Credit will not be considered or evaluated. **PLEASE PROVIDE THE DRAFT POST-BID LETTER OF CREDIT.**

	<i>Draft Post-Bid Letter of Credit</i>
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Yes

A Draft Post-Bid Letter of Credit that contains the same requested modifications as a prior submittal will not be reviewed again by PECO. To request the Independent Evaluator to email to you PECO’s assessment of the prior submittal, please email such request to pecoprocurement@nera.com.

Third Item: Standard Guaranty

An RFP Bidder may request modifications to the Standard Guaranty that are non-material in nature, or that are advantageous to both PECO and the RFP Bidder.

AN RFP BIDDER REQUESTS MODIFICATIONS TO THE STANDARD GUARANTY BY SUBMITTING A DRAFT GUARANTY SUBSTANTIALLY IN THE FORM OF THE STANDARD GUARANTY INDICATING CLEARLY ANY AND ALL MODIFICATIONS TO THE STANDARD GUARANTY USING TRACKED CHANGES IN MICROSOFT WORD.

All approved modifications to the Standard Guaranty are posted to the RFP website. Each RFP Bidder may use any of the approved modifications, regardless of whether the RFP Bidder itself or another RFP Bidder proposed the modification.

Is the RFP Bidder submitting a Draft Guaranty?

Yes No

Does the Draft Guaranty contain the same requested modifications as a Draft Guaranty submitted in a prior solicitation?

Yes No

No

A Draft Guaranty that is not substantially in the form of the Standard Guaranty will not be considered or evaluated. **PLEASE PROVIDE THE DRAFT GUARANTY.**

	<i>Draft Guaranty</i>
---	-----------------------

Appendix 4 to the RFP Rules

Yes

A Draft Guaranty that contains the same requested modifications as a prior submittal will not be reviewed again by PECO. To request the Independent Evaluator to email to you PECO's assessment of the prior submittal, please email such request to pecoprocurement@nera.com.

Fourth Item: Information to Prepare the Uniform SMA and Its Exhibits

Is the RFP Bidder a Default Supplier serving tranches won in a solicitation under DSP VI?

Yes No

If Yes, please proceed to the Section 4.

If No, please provide the information required by this section.

RFP BIDDERS ARE ASKED TO PROVIDE ALL INFORMATION NEEDED TO PREPARE THE UNIFORM SMA AND ITS EXHIBITS. AN RFP BIDDER THAT DOES NOT PROVIDE THIS INFORMATION MUST INSTEAD SUBMIT AN ACKNOWLEDGMENT SIGNED BY THE OFFICER OF THE RFP BIDDER.

Is the RFP Bidder providing information to prepare the Uniform SMA at this time?

Yes No

Yes

THE RFP BIDDER PROVIDES THE INFORMATION TO PREPARE THE UNIFORM SMA AND ITS EXHIBITS BY COMPLETING THE UNIFORM SMA INSERT. The Uniform SMA Insert is also labelled INSERT #P1-4.

Name of RFP Bidder

 **UNIFORM SMA INSERT (#P1-4)**

Please note! RFP Bidders must submit one (but ONLY one) of Insert #P1-4 and Insert #P1-5.

1. Under Section 5.4(a)(i) of the Uniform SMA, the DS Supplier may, in its sole discretion, add the following subsection 5.4(a)(i) by indicating yes or no below.

5.4(a)(i) For the purposes of such determination, the DS Supply provided for under this Agreement for the period following the Early Termination Date through the remainder of the term of this Agreement shall be deemed to be those quantity amounts that would have been delivered on an hourly basis, had this Agreement been in effect during the previous calendar year adjusted for such DS Load changes as may have occurred since the previous calendar year.

Do you intend for subsection 5.4(a)(i) to be included as part of the Uniform SMA?

Yes No

2. The information that you provide below will be used to complete Exhibit 2 (Form of Notice) to the Uniform SMA. **IF ANY OF THE INFORMATION REQUESTED BELOW IS UNAVAILABLE, PLEASE ENTER N/A IN THE CORRESPONDING FIELDS.**

Appendix 4 to the RFP Rules

(a) All Notices:

<i>First Name</i>	<i>Last Name</i>	
<input type="text"/>	<input type="text"/>	
<i>Street Address</i>		
<input type="text"/>		
<input type="text"/>		
<i>City</i>	<i>State</i>	<i>Zip Code</i>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<i>Phone No.</i>	<i>Email Address</i>	
<input type="text"/>	<input type="text"/>	
<i>DUNS</i>	<i>Federal Tax I.D. Number</i>	
<input type="text"/>	<input type="text"/>	

(b) Invoices:

<i>ATTN:</i>	
<i>First Name</i>	<i>Last Name</i>
<input type="text"/>	<input type="text"/>
<i>Phone No.</i>	<i>Email Address</i>
<input type="text"/>	<input type="text"/>

(c) Schedule:

<i>First Name</i>	<i>Last Name</i>
<input type="text"/>	<input type="text"/>
<i>Phone No.</i>	<i>Email Address</i>
<input type="text"/>	<input type="text"/>

(d) Payments:

<i>ATTN:</i>	
<i>First Name</i>	<i>Last Name</i>
<input type="text"/>	<input type="text"/>
<i>Phone No.</i>	<i>Email Address</i>
<input type="text"/>	<input type="text"/>

(e) Wire Transfer:

<i>Bank</i>	
<input type="text"/>	
<i>ABA</i>	<i>ACCT</i>
<input type="text"/>	<input type="text"/>

(f) Credit and Collections:

<i>ATTN:</i>	
<i>First Name</i>	<i>Last Name</i>

Appendix 4 to the RFP Rules

Phone No.

Email Address

(g) Additional Notices of an Event of Default to:

ATTN:

First Name

Last Name

Phone No.

Email Address

Appendix 4 to the RFP Rules

No

THE OFFICER OF THE RFP BIDDER PROVIDES THE REQUIRED ACKNOWLEDGMENT BY COMPLETING THE DELAY (SMA) INSERT. The Delay (SMA) Insert is also labelled INSERT #P1-5.

PLEASE REFER TO THE DELAY (SMA) INSERT (#P1-5) FOR THE ACCEPTABLE METHODS TO COMPLETE AND SUBMIT THIS INSERT. IF THIS INSERT IS NOT COMPLETED WITH A DIGITAL SIGNATURE, IT MUST BE SENT BY EMAIL TO THE INDEPENDENT EVALUATOR AT PECOPROUREMENT@NERA.COM BY THE SIGNATORY (HERE THE OFFICER OF THE RFP BIDDER) OR WITH THE SIGNATORY ON COPY.

Name of RFP Bidder

 **DELAY (SMA) INSERT (#P1-5)**

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE FOR THIS INSERT. THE INDEPENDENT EVALUATOR IS ALSO ACCEPTING AN ELECTRONIC SIGNATURE OR A SCANNED WET SIGNATURE AS LONG AS THIS INSERT IS SENT BY EMAIL BY THE SIGNATORY OR WITH THE SIGNATORY ON COPY.

This Insert may be completed as follows:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory.*

If completed with a digital signature, this Insert and accompanying document or information may be uploaded to the online Part 1 Form or may be sent by email to the Independent Evaluator at PECOPROUREMENT@NERA.COM.

This Insert may also be completed as follows:

- *Submitted with a scanned wet signature;*

or

- *Submitted with an electronic signature (such as an image of a signature).*

If completed with a scanned or electronic signature, this Insert must be sent by email to the Independent Evaluator at PECOPROUREMENT@NERA.COM by the signatory (here the Officer of the RFP Bidder) or with the signatory on copy.

Please note! RFP Bidders must submit one (but ONLY one) of Insert #P1-4 and Insert #P1-5.

I, _____ (the Officer of the RFP Bidder), acknowledge that, if the Independent Evaluator notifies the RFP Bidder that the Independent Evaluator is identifying one or more of the RFP Bidder's Bids to the Commission as winning Bids, the RFP Bidder must provide all information required by the Uniform SMA Insert (#P1-4) by 12 PM (noon) EPT on the day after such notification is received.

Signature of Officer

Date

Appendix 4 to the RFP Rules



4. Representations

The Officer of the RFP Bidder must make a number of representations and certifications, which may include any or all of those detailed in Paragraphs IV.4.1, IV.4.2, and IV.4.3 of the RFP Rules.

Is the RFP Bidder a Default Supplier serving tranches won in a solicitation under DSP VI?

Yes No

Yes

THE OFFICER OF THE RFP BIDDER MAKES SUCH CERTIFICATIONS BY COMPLETING THE P1 CERTIFICATIONS (A) INSERT. The P1 Certifications (Default Supplier) Insert is also labelled INSERT #P1-6.

PLEASE REFER TO THE P1 CERTIFICATIONS A INSERT (#P1-6) FOR THE ACCEPTABLE METHODS TO COMPLETE AND SUBMIT THIS INSERT.

Name of RFP Bidder

P1 CERTIFICATIONS (A) INSERT (#P1-6)

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE OR A NOTARIZED SIGNATURE FOR THIS INSERT.

This Insert may be completed as follows:

- *Signed by the Officer of the RFP Bidder with the signature notarized;*

or:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory. Digital signatures are not required to be notarized.*

This Insert and any accompanying document or information may be submitted as follows:

- *Uploaded to the online Part 1 Form;*

or:

- *Sent by email to the Independent Evaluator at PECOProcurement@nera.com.*

An RFP Bidder found to be acting in concert with another RFP Bidder may be disqualified by the Independent Evaluator.

I certify that:

Appendix 4 to the RFP Rules

- (1) I am an officer, a director, or an individual otherwise authorized to undertake contracts (including the PECO Energy Company - Pennsylvania Default Service Supplier Master Agreement) and bind the RFP Bidder.
- (2) All information provided in this Part 1 Proposal is true and accurate to the best of my knowledge and belief.
- (3) If, for any reason or due to any circumstance, any information provided in this Part 1 Proposal changes or any previous certification fails to remain valid before the sixth business day after the Bid Date, I or the Representative will notify the Independent Evaluator of such changes as soon as practicable but in no event later than one (1) day before the Bid Date.
- (4) This Part 1 Proposal will remain valid and remain in full force and effect until six (6) business days after the Bid Date.
- (5) The RFP Bidder is not part of a bidding agreement, a joint venture for purposes of participating in any solicitation for this RFP, a bidding consortium, or any other type of agreement related to bidding in any solicitation of this RFP.

Signature of Officer

Date

Printed Name

Signature and Seal from Notary Public

Date

No

THE OFFICER OF THE RFP BIDDER MAKES SUCH CERTIFICATIONS BY COMPLETING THE P1 CERTIFICATIONS (A) INSERT AND P1 CERTIFICATIONS (C) INSERT. These inserts are also labelled INSERT #P1-6 and INSERT #P1-8, respectively.

PLEASE REFER TO THE P1 CERTIFICATIONS A INSERT (#P1-6) AND P1 CERTIFICATIONS (C) INSERT (#P1-8) FOR THE ACCEPTABLE METHODS TO COMPLETE AND SUBMIT THESE INSERTS.

Name of RFP Bidder

 **P1 CERTIFICATIONS (A) INSERT (#P1-6)**

Appendix 4 to the RFP Rules

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE OR A NOTARIZED SIGNATURE FOR THIS INSERT.

This Insert may be completed as follows:

- *Signed by the Officer of the RFP Bidder with the signature notarized;*

or:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory. Digital signatures are not required to be notarized.*

This Insert and any accompanying document or information may be submitted as follows:

- *Uploaded to the online Part 1 Form;*

or:

- *Sent by email to the Independent Evaluator at PECOProcurement@nera.com.*

An RFP Bidder found to be acting in concert with another RFP Bidder may be disqualified by the Independent Evaluator.

I certify that:

- (6) I am an officer, a director, or an individual otherwise authorized to undertake contracts (including the PECO Energy Company - Pennsylvania Default Service Supplier Master Agreement) and bind the RFP Bidder.
- (7) All information provided in this Part 1 Proposal is true and accurate to the best of my knowledge and belief.
- (8) If, for any reason or due to any circumstance, any information provided in this Part 1 Proposal changes or any previous certification fails to remain valid before the sixth business day after the Bid Date, I or the Representative will notify the Independent Evaluator of such changes as soon as practicable but in no event later than one (1) day before the Bid Date.
- (9) This Part 1 Proposal will remain valid and remain in full force and effect until six (6) business days after the Bid Date.
- (10) The RFP Bidder is not part of a bidding agreement, a joint venture for purposes of participating in any solicitation for this RFP, a bidding consortium, or any other type of agreement related to bidding in any solicitation of this RFP.

Signature of Officer

Date

Printed Name

Appendix 4 to the RFP Rules

Signature and Seal from Notary Public

Date

Name of RFP Bidder

 **P1 CERTIFICATIONS (C) INSERT (#P1-8)**

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE OR A NOTARIZED SIGNATURE FOR THIS INSERT.

This Insert may be completed as follows:

- *Signed by the Officer of the RFP Bidder with the signature notarized;*

or:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory. Digital signatures are not required to be notarized.*

This Insert and any accompanying document or information may be submitted as follows:

- *Uploaded to the online Part 1 Form;*

or:

- *Sent by email to the Independent Evaluator at PECOProcurement@nera.com.*

An RFP Bidder found to be acting in concert with another RFP Bidder may be disqualified by the Independent Evaluator.

I certify that:

- (1) The RFP Bidder has no actions at law, suits in equity, proceedings or claims pending or, to the RFP Bidder's knowledge, threatened against it before any federal, state, foreign or local court, tribunal or governmental agency or authority that might materially delay, prevent or hinder the RFP Bidder's performance of its obligations under the Uniform SMA.
- (2) The RFP Bidder is not bankrupt or insolvent and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming bankrupt or insolvent.
- (3) If the Independent Evaluator notifies the RFP Bidder that the Independent Evaluator is identifying one or more of the RFP Bidder's Bids to the Commission as winning Bids, all information required for the preparation of the Uniform SMA and its Exhibits must be submitted and complete by 12 PM (noon) EPT on the day after such notification is received.

Appendix 4 to the RFP Rules

Signature of Officer	Date

Printed Name	

Signature and Seal from Notary Public	Date
_____	_____

5. Foreign RFP Bidders and Foreign Entities

Is the RFP Bidder a Foreign Entity, or is the RFP Bidder relying on the financial standing of a Foreign Entity as RFP Guarantor, or is the RFP Bidding submitting a Proposal under an Agency Agreement with a Foreign Entity as Principal?

Yes No

Yes

AN RFP BIDDER THAT IS A FOREIGN RFP BIDDER, OR THAT IS RELYING ON THE FINANCIAL STANDING OF A FOREIGN ENTITY AS RFP GUARANTOR, OR RFP BIDDERS SUBMITTING A PROPOSAL UNDER AN AGENCY AGREEMENT WITH A FOREIGN ENTITY AS PRINCIPAL IS REQUIRED TO PROVIDE ADDITIONAL INFORMATION AS SPECIFIED IN THE SECTION IV.5 OF THE RFP RULES BY COMPLETING THE APPLICABLE INSERT AND PROVIDING ASSOCIATED DOCUMENTS. An RFP Bidder that is a Foreign RFP Bidder is required to complete the P1 Foreign Bidder (Prev Qual and DS) Insert, also labelled INSERT #P1-10. An RFP Bidder relying on the financial standing of a Foreign RFP Guarantor is required to complete the P1 Foreign Guarantor (Prev Qual and DS) Insert, also labelled INSERT #P1-11. An RFP Bidder submitting a Proposal under an Agency Agreement with a Foreign Entity as Principal is required to complete the P1 Foreign Principal (Prev Qual and DS) Insert, also labelled INSERT #P1-12.

	<i>Insert (P1 Foreign Bidder (Prev Qual and DS) Insert #P1-10, P1 Foreign Guarantor (Prev Qual and DS) Insert #P1-11, OR P1 Foreign Principal (Prev Qual and DS) Insert #P1-12)</i>
	<i>Additional Evidence of Creditworthiness</i>
	<i>Additional Evidence of Creditworthiness</i>
	<i>Draft legal opinion</i>
	<i>Draft sworn certificate</i>
	<i>Draft sworn certificate</i>

Appendix 4 to the RFP Rules

Name of RFP Bidder



P1 FOREIGN BIDDER (PREV QUAL and DS) INSERT (#P1-10)

Please note! ONLY Foreign RFP Bidders are required to submit this Insert.

First Item: Evidence of Creditworthiness

In addition to supplying all required information and documents elsewhere in the online Part 1 Form, a Foreign RFP Bidder may provide any additional evidence of creditworthiness for the Foreign RFP Bidder so as to provide PECO with comparable assurances of creditworthiness as is applicable for an entity that has been incorporated or otherwise formed under the laws of a state of the United States or of the District of Columbia.

Are you submitting additional evidence of creditworthiness for the Foreign RFP Bidder?

Yes

No

PLEASE PROVIDE SUCH ADDITIONAL EVIDENCE OF CREDITWORTHINESS IN THE SPACES RESERVED FOR THAT PURPOSE IN THE ONLINE PART 1 FORM OR BY EMAIL TO PECOPROUREMENT@NERA.COM.

Second Item: Draft Documents

THE RFP BIDDER MAY, BUT IS NOT REQUIRED TO, SUBMIT A DRAFT OF THE FOLLOWING DOCUMENTS FOR EVALUATION: (i) a legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the Foreign RFP Bidder is incorporated or otherwise formed that the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the Foreign RFP Bidder in the jurisdiction in which it has been incorporated or otherwise formed; (ii) the sworn certificate of the corporate secretary (or similar officer) of such Foreign RFP Bidder that the person executing the Uniform SMA on behalf of the Foreign RFP Bidder has the authority to execute the Uniform SMA and that the governing board of such Foreign RFP Bidder has approved the execution of the Uniform SMA; and (iii) the sworn certificate of the corporate secretary (or similar officer) of such Foreign RFP Bidder that the Foreign RFP Bidder has been authorized by its governing board to enter into agreements of the same type as the Uniform SMA.

Are you submitting a draft of any of these documents for evaluation?

Yes

No

PLEASE PROVIDE ANY SUCH DOCUMENTS IN THE SPACES RESERVED FOR THAT PURPOSE IN THE ONLINE PART 1 FORM OR BY EMAIL TO PECOPROUREMENT@NERA.COM.

Name of RFP Bidder

 **P1 FOREIGN GUARANTOR (PREV QUAL and DS) INSERT (#P1-11)**

Please note! ONLY RFP Bidders relying on a Foreign RFP Guarantor are required to submit this Insert.

First Item: Evidence of Creditworthiness

In addition to supplying all required information and documents elsewhere in the online Part 1 Form, an RFP Bidder relying on the financial standing of a Foreign RFP Guarantor may provide any additional evidence of creditworthiness for the Foreign RFP Guarantor so as to provide PECO with comparable assurances of creditworthiness as is applicable for an entity that has been incorporated or otherwise formed under the laws of a state of the United States or of the District of Columbia.

Are you submitting additional evidence of creditworthiness for the Foreign RFP Guarantor?

Yes No

PLEASE PROVIDE SUCH ADDITIONAL EVIDENCE OF CREDITWORTHINESS IN THE SPACES RESERVED FOR THAT PURPOSE IN THE ONLINE PART 1 FORM OR BY EMAIL TO PECOPROUREMENT@NERA.COM.

Second Item: Draft Documents

THE RFP BIDDER MAY, BUT IS NOT REQUIRED TO, SUBMIT A DRAFT OF THE FOLLOWING DOCUMENTS:

(i) a legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the RFP Guarantor is incorporated or otherwise formed that the guaranty pursuant to the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the RFP Guarantor in the jurisdiction in which it has been incorporated or otherwise formed; and (ii) the sworn certificate of the corporate secretary (or similar officer) of such RFP Guarantor that the person executing the guaranty pursuant to the Uniform SMA on behalf of the RFP Guarantor has the authority to execute the guaranty pursuant to the Uniform SMA and that the governing board of such RFP Guarantor has approved the execution of the guaranty pursuant to the Uniform SMA; and (iii) the sworn certificate of the corporate secretary (or similar officer) of such RFP Guarantor that the RFP Guarantor has been authorized by its governing board to enter into agreements of the same type as the guaranty pursuant to the Uniform SMA.

Are you submitting a draft of any of these documents for evaluation?

Yes No

PLEASE PROVIDE ANY SUCH DOCUMENTS IN THE SPACES RESERVED FOR THAT PURPOSE IN THE ONLINE PART 1 FORM OR BY EMAIL TO PECOPROUREMENT@NERA.COM.

Name of RFP Bidder

 **P1 FOREIGN PRINCIPAL (PREV QUAL and DS) INSERT (#P1-12)**

Appendix 4 to the RFP Rules

Please note! ONLY RFP Bidders submitting a Proposal under an Agency Agreement with a Foreign Entity as Principal are required to submit this Insert.

First Item: Evidence of Creditworthiness

In addition to supplying all required information and documents elsewhere in the online Part 1 Form, an RFP Bidder submitting a Proposal under an Agency Agreement with a Foreign Entity as RFP Principal may provide any additional evidence of creditworthiness for the RFP Principal so as to provide PECO with comparable assurances of creditworthiness as is applicable for an entity that has been incorporated or otherwise formed under the laws of a state of the United States or of the District of Columbia.

Are you submitting additional evidence of creditworthiness for the Foreign Principal?

Yes No

PLEASE PROVIDE SUCH ADDITIONAL EVIDENCE OF CREDITWORTHINESS IN THE SPACES RESERVED FOR THAT PURPOSE IN THE ONLINE PART 1 FORM OR BY EMAIL TO PECOPROUREMENT@NERA.COM.

Second Item: Draft Documents

THE RFP BIDDER MAY, BUT IS NOT REQUIRED TO, SUBMIT A DRAFT OF THE FOLLOWING DOCUMENTS:

(i) a legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the Principal is incorporated or otherwise formed that the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the Principal in the jurisdiction in which it has been incorporated or otherwise formed; and (ii) the sworn certificate of the corporate secretary (or similar officer) of such Principal that the Principal has been authorized by its governing board to enter into agreements of the same type as the Uniform SMA.

Are you submitting a draft of any of these documents for evaluation?

Yes No

PLEASE PROVIDE ANY SUCH DOCUMENTS IN THE SPACES RESERVED FOR THAT PURPOSE IN THE ONLINE PART 1 FORM OR BY EMAIL TO PECOPROUREMENT@NERA.COM.

No

The requirements of this section do not apply to you.

Appendix 4 to the RFP Rules

6. Justification of Omissions

If you are unable to provide all documents or information required with this online Part 1 Form, please justify fully any omissions in the space provided below.

If you are providing additional documents, such as providing the Part 2 Form certifications for early processing, please use the spaces below to upload these documents.

	<i>File upload</i>
	<i>File upload</i>
	<i>File upload</i>

Appendix 5 - Requirements for Chief Financial Officer Attestation

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE OR A NOTARIZED SIGNATURE FOR THE ATTESTATION.

The attestation may be completed as follows:

- *Signed by the Chief Financial Officer, (or similar position) with the signature notarized;*

or:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory. Digital signatures are not required to be notarized.*

The attestation and any accompanying document or information may be submitted as follows:

- *Uploaded to the online Part 1 Form;*

or:

- *Sent by email to the Independent Evaluator at PECOProcurement@nera.com.*

The attestation by the Chief Financial Officer, (or similar position), if required by Article IV, must fulfill the following requirements:

1. the attestation is an affidavit attached to the financial information provided by the entity;
2. the attestation identifies the person making the affidavit as the Chief Financial Officer (or similar position);
3. the Chief Financial Officer (or similar position) attests that "the information contained in the financial statements fairly presents in all material respects the financial condition and results of the operations of _____[name of entity]".

**Appendix 6 - Officers' Certificate
(RFP Bidders Under an Agency Agreement)**

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE FOR THE OFFICERS' CERTIFICATE. THE INDEPENDENT EVALUATOR IS ALSO ACCEPTING AN ELECTRONIC SIGNATURE OR A SCANNED WET SIGNATURE AS LONG AS THE OFFICERS' CERTIFICATE IS SENT BY EMAIL BY THE SIGNATORY OR WITH THE SIGNATORY ON COPY.

The Officers' Certificate may be completed as follows:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory.*

If completed with a digital signature, the Officers' Certificate and accompanying document or information may be uploaded to the online Part 1 Form or may be sent by email to the Independent Evaluator at PECOProcurement@NERA.com.

The Officers' Certificate may also be completed as follows:

- *Submitted with a scanned wet signature;*

or

- *Submitted with an electronic signature (such as an image of a signature).*

If completed with a scanned or electronic signature, the Officers' Certificate must be sent by email to the Independent Evaluator at PECOProcurement@NERA.com by each signatory or with each signatory on copy.

Sample

The undersigned hereby certify that they are duly elected, qualified and acting officers holding the offices set forth below their respective names of _____ [name of Principal(s)], the "Principal" or together the "Principals". As such, they are familiar with the affairs of the Principal(s) and the Proposal submitted in response to PECO Energy Company's Default Service Program RFP under DSP VI, including the agency authorization submitted with the Proposal (the "Agency Agreement"). They are authorized to execute and deliver this certificate on behalf of the Principal(s).

They further certify that:

- (i) the copy of the Agency Agreement submitted with the Proposal is a true and complete copy of the Agency Agreement as currently in effect;

- (ii) the Agency Agreement is in full force and effect and shall remain in full force and effect for a period extending to six (6) business days following the Bid Date;
- (iii) there are no proceedings pending for the amendment or termination of the Agency Agreement, contemplated by the RFP Bidder, or contemplated by the Principal(s) to the RFP Bidder's knowledge;
- (iv) each individual who has executed this officers' certificate and the Agency Agreement is (or was at the time of the execution of such documents) authorized to execute and deliver such documents on behalf of the Principal(s); and
- (v) _____ [insert name], the Officer of the RFP Bidder named in the Part 1 Proposal, is authorized to execute the Uniform SMA as well as any Transaction Confirmation(s) pursuant to the Uniform SMA on behalf of the Principal(s).

Capitalized terms used in this officers' certificate without definition have the meanings assigned to such terms in the RFP Rules.

APPENDIX 7 – ILLUSTRATIVE PART 2 FORM DEFAULT SERVICE PROGRAM REQUEST FOR PROPOSALS

STANDARD FORM

PECO Energy Company (“Company” or “PECO”) is intending to obtain full requirements electric supply to meet a portion of its obligations as Default Service Provider through this Request for Proposals (“RFP”).

Before completing this online Part 2 Form, please review the RFP, including the PECO Energy Company Pennsylvania Default Service Supplier Master Agreement (“Uniform SMA”), so that you understand the conditions under which the RFP will be conducted. These documents are posted at www.pecoprocedure.com.

By having submitted a Part 1 Proposal in response to this RFP, you agreed to all terms and conditions of this RFP.

Any information provided by an RFP Bidder in the Part 2 Proposal is provided on a confidential basis to the Independent Evaluator, and may be provided on a confidential basis to the Staff of the Pennsylvania Public Utility Commission (“Commission”). PECO representatives will review financial information and legal documents provided to fulfill the requirements of the Part 2 Proposal, and will participate in the evaluation of the Pre-Bid Letter of Credit with the name of the RFP Bidder and the amount redacted.

Appendix 7 to the RFP Rules

PART 2 FORM

1. Contact Information and Representations

First Item: Name and Address of the RFP Bidder

Below is the information that you previously provided. **PLEASE MAKE ANY NECESSARY UPDATES TO THE RFP BIDDER’S LEGAL NAME AND ADDRESS.** By submitting this form without making updates, you will be confirming that the previously provided information remains valid.

Legal Name of RFP Bidder

Street Address Line 1

Street Address Line 2

City

State

Zip Code

IF THE LEGAL NAME OF THE RFP BIDDER HAS CHANGED, PLEASE PROVIDE EVIDENCE OF THE CHANGE.

	Evidence of name change (if necessary)
---	--

Second Item: Contact Information for the Officer of the RFP Bidder

Below is the information that you previously provided. **PLEASE MAKE ANY UPDATES TO THE NAME AND CONTACT INFORMATION FOR THE OFFICER OF THE RFP BIDDER.** By submitting this form without making updates, you will be confirming that the previously provided information remains valid.

Please note that the Officer of the RFP Bidder named in the Part 1 Proposal must make all representations and certifications in this Part 2 Proposal. If the individual serving as Officer of the RFP Bidder has changed, the RFP Bidder will be required to resubmit all certifications required by the Part 1 Proposal.

First Name

Last Name

Title

Street Address Line 1

Street Address Line 2

City

State

Zip Code

Business Phone No.

Cell Phone No.

Email Address

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Third Item: Contact Information for the Representative

Below is the information that you previously provided. **PLEASE MAKE ANY UPDATES TO THE NAME AND CONTACT INFORMATION FOR THE REPRESENTATIVE OF THE RFP BIDDER.** By submitting this form without making updates, you will be confirming that the previously provided information remains valid.

<i>First Name</i> [pre-populated]	<i>Last Name</i> [pre-populated]		
<i>Title</i> [pre-populated]			
<i>Street Address Line 1</i> [pre-populated]			
<i>Street Address Line 2</i> [pre-populated]			
<i>City</i> [pre-populated]	<i>State</i> [pre-populated]	<i>Zip Code</i> [pre-populated]	
<i>Business Phone No.</i> [pre-populated]	<i>Cell Phone No.</i> [pre-populated]	<i>Email Address</i> [pre-populated]	

Fourth Item: Representations of the Officer of the RFP Bidder

THE OFFICER OF THE RFP BIDDER MUST MAKE A NUMBER OF CERTIFICATIONS TO FULFILL THE REQUIREMENTS OF THE PART 2 PROPOSAL. If the Officer of the RFP Bidder who made the representations and certifications of the Part 1 Form is unavailable to make the representations of the Part 2 Form, the RFP Bidder must name a new individual to serve as Officer of the RFP Bidder and must, in addition to making the representations required in the Part 2 Proposal, re-submit the certifications of the Part 1 Form by the Part 2 Date.

THE OFFICER OF THE RFP BIDDER MUST MAKE A NUMBER OF CERTIFICATIONS BY COMPLETING THE P2 CERTIFICATIONS INSERT. The P2 Certifications Insert is also labelled INSERT #P2-1.

PLEASE REFER TO THE P2 CERTIFICATIONS INSERT (#P2-1) FOR THE ACCEPTABLE METHODS TO COMPLETE AND SUBMIT THIS INSERT.

Name of RFP Bidder

 **P2 CERTIFICATIONS INSERT (#P2-1)**

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE OR A NOTARIZED SIGNATURE FOR THIS INSERT.

This Insert may be completed as follows:

- *Signed by the Officer of the RFP Bidder with the signature notarized;*
- or:*
- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory. Digital signatures are not required to be notarized.*

This Insert and any accompanying document or information may be submitted as follows:

- *Uploaded to the online Part 1 Form;*
- or:*
- *Sent by email to the Independent Evaluator at PECOProcurement@nera.com.*

THE OFFICER OF THE RFP BIDDER MUST MAKE THE FOLLOWING CERTIFICATIONS.

- (1) I certify that this Part 2 Proposal will remain valid and remain in full force and effect until six (6) business days after the Bid Date and if any information provided in the Part 2 Proposal changes or any previous certification fails to remain valid during that time, the RFP Bidder will notify the Independent Evaluator as soon as practicable.
- (2) I certify that the RFP Bidder is bidding independently and that it has no knowledge of any information concerning a Proposal by another RFP Bidder in response to this solicitation or any future solicitation under this RFP. Such information includes, but is not limited to: the fact that another RFP Bidder is submitting a Proposal in response to this solicitation or a subsequent solicitation under this RFP; the Bids by another RFP Bidder in this or in a subsequent solicitation under this RFP; the number of tranches bid by another RFP Bidder for any product in this or in a subsequent solicitation under this RFP; the estimation by another RFP Bidder of the value of a tranche of a product; the estimation by another RFP Bidder of the risks associated with providing supply under the Uniform SMA; the preference of another RFP Bidder for bidding on specific products in this or in a subsequent solicitation under the RFP; and the contractual arrangements for power of another RFP Bidder to serve tranches of Default Service Load were that RFP Bidder to become a Default Supplier. This certification must be binding and in effect until the Commission has either approved or rejected each of the winning Bids for this solicitation.
- (3) I certify that although the RFP Bidder may disclose aspects of its Proposal in communicating with its financial institution for the purpose of preparing the Pre-Bid Letter of Credit or in communicating with advisors (if any), any such communication is made in a manner that can reasonably be expected to maintain the confidentiality of the RFP Bidder's Proposal.
- (4) I certify that, with only the exceptions noted in (3) above, the RFP Bidder has not disclosed, and will not otherwise disclose, publicly or to any other party any information relating to its Proposal, which could have an effect on whether another party submits a Proposal in any solicitation under the RFP, or on the contents of the Proposal that another RFP Bidder would be willing to submit in response to the RFP. Such information includes, but is not limited to: the fact that the RFP Bidder is submitting a Proposal in response to this RFP; the RFP Bidder's Bids in this or in a subsequent solicitation under this RFP; the RFP Bidder's number of tranches bid for any product in this or in a subsequent solicitation under this RFP; the RFP Bidder's estimation of the value of a tranche of a product; the RFP Bidder's estimation of the risks associated with providing supply under the Uniform SMA; and the RFP Bidder's preference for bidding on specific products in

Appendix 7 to the RFP Rules

this or in a subsequent solicitation under this RFP. This certification must be binding and in effect until the Commission has either approved or rejected each of the winning Bids for this solicitation.

- (5) I certify that any Bid on any product submitted in response to this RFP for this solicitation is binding until six (6) business days after the Bid Date and constitutes a binding and irrevocable offer to provide service under the terms of the Uniform SMA at the price specified in the Bid.
- (6) I certify that I will execute (or I will nominate another authorized individual to execute) the Uniform SMA and all Transaction Confirmation(s) for the RFP Bidder's Bids that are approved by the Commission no later than 2PM on the third business day after the Commission has accepted such Bids.
- (7) I certify that in each Transaction Confirmation, the RFP Bidder will specify a price for each type of AECs (Tier I, Tier I Solar, and Tier II) that is included in the RFP Bidder's winning Bids and each such price must be greater than \$0/AEC.

Signature of Officer

Date

Signature and Seal from Notary Public

Date

2. Pre-Bid Letter of Credit

THE RFP BIDDER MUST PROVIDE AN EXECUTED PRE-BID LETTER OF CREDIT, drawn for the account of the RFP Bidder and acceptable to PECO, **IN AN AMOUNT OF AT LEAST: \$250,000 PER TRANCHE BID ON PRODUCTS OF THE RES AND SC CLASSES FOR FULL REQUIREMENTS ON A FIXED-PRICE BASIS, PLUS, IF APPLICABLE, \$125,000 PER TRANCHE BID ON A PRODUCT FOR THE CCI CLASS FOR FULL REQUIREMENTS ON A SPOT-PRICE BASIS.** A single Pre-Bid Letter of Credit is submitted even if the RFP Bidder bids on more than one product or, if applicable, the RFP Bidder bids to supply both full requirements on a fixed-price basis and full requirements on a spot-price basis.

The RFP Bidder must either use the Standard Pre-Bid Letter of Credit, provided on www.pecoprocedure.com, or submit a Pre-Bid Letter of Credit that incorporates only those modifications to the Standard Pre-Bid Letter of Credit accepted as a result of the evaluation of the Part 1 Proposals.

THE PRE-BID LETTER OF CREDIT MUST BE SUBMITTED AS AN ELECTRONIC PDF FILE VIA ELECTRONIC MEANS ONLY to the Independent Evaluator at pecoprocedure@nera.com. A Pre-Bid Letter of Credit sent in hardcopy cannot be accepted.

PECO and the Independent Evaluator will release the Pre-Bid Letter of Credit no later than six (6) business days after the Bid Date. If the Commission does not approve any of the RFP Bidder's Bids, PECO and the Independent Evaluator will release that RFP Bidder's Pre-Bid Letter of Credit within three (3) business days of the Bid Date.

Would you like to provide special instructions for returning the Pre-Bid Letter of Credit?

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Yes

No

PLEASE PROVIDE SPECIAL INSTRUCTIONS FOR RETURNING THE PRE-BID LETTER OF CREDIT BELOW.

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3. Additional Requirements

3a. Requirements for RFP Bidders Relying on Their Own Financial Standing

You previously elected the RFP Bidder as the entity on whose financial standing the RFP Bidder is relying. **YOU HAVE NO ADDITIONAL REQUIREMENTS** under this section and you may proceed to the next section.

3b. Requirements for RFP Bidders Relying on the Financial Standing of an RFP Guarantor

You previously elected an RFP Guarantor as the entity on whose financial standing the RFP Bidder is relying. **THE RFP BIDDER MUST PROVIDE THE GUARANTY DOCUMENTS REQUIRED BY THIS SECTION.**

First Item: Intent to Provide a Guaranty

A REPRESENTATIVE OF THE RFP GUARANTOR WHO IS AUTHORIZED TO UNDERTAKE CONTRACTS (INCLUDING THE GUARANTY) AND BIND THAT RFP GUARANTOR MUST MAKE THE CERTIFICATIONS PROVIDED IN THE GUARANTY INTENT INSERT. The Guaranty Intent Insert is also labelled INSERT #P2-2.

PLEASE REFER TO THE GUARANTY INTENT INSERT (#P2-2) FOR THE ACCEPTABLE METHODS TO COMPLETE AND SUBMIT THIS INSERT. IF THIS INSERT IS NOT COMPLETED WITH A DIGITAL SIGNATURE, IT MUST BE SENT BY EMAIL TO THE INDEPENDENT EVALUATOR AT PECOPROUREMENT@NERA.COM BY THE SIGNATORY (HERE A REPRESENTATIVE OF THE RFP GUARANTOR) OR WITH THE SIGNATORY ON COPY.

Name of RFP Bidder

 **GUARANTY INTENT INSERT (#P2-2)**

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE FOR THIS INSERT. THE INDEPENDENT EVALUATOR IS ALSO ACCEPTING AN ELECTRONIC SIGNATURE OR A SCANNED WET SIGNATURE AS LONG AS THIS INSERT IS SENT BY EMAIL BY THE SIGNATORY OR WITH THE SIGNATORY ON COPY.

This Insert may be completed as follows:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory.*

If completed with a digital signature, this Insert and accompanying document or information may be uploaded to the online Part 1 Form or may be sent by email to the Independent Evaluator at PECOPROUREMENT@NERA.COM.

This Insert may also be completed as follows:

- *Submitted with a scanned wet signature;*

or

- *Submitted with an electronic signature (such as an image of a signature).*

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If completed with a scanned or electronic signature, this Insert must be sent by email to the Independent Evaluator at PECOProcurement@NERA.com by the signatory (here a Representative of the RFP Guarantor) or with the signatory on copy.

PLEASE PROVIDE THE INDICATIVE AMOUNT OF THE GUARANTY IN THE SPACE PROVIDED. THE INDICATIVE AMOUNT MUST MEET OR EXCEED THE SUM OF: (I) \$600,000 TIMES THE NUMBER OF TRANCHES BID ON PRODUCTS FOR THE RES AND SC CLASSES FOR FULL REQUIREMENTS ON A FIXED-PRICE BASIS; AND, IF APPLICABLE, (II) \$300,000 TIMES THE NUMBER OF TRANCHES BID ON THE CCI CLASS FOR FULL REQUIREMENTS ON A SPOT-PRICE BASIS.

I acknowledge that _____ (“RFP Guarantor”) has been asked to provide a financial guaranty on behalf of _____ (“RFP Bidder”) should the RFP Bidder become a Default Supplier pursuant to its response under this RFP for procuring supply under the terms of the Uniform SMA. Our senior unsecured debt rating meets the Minimum Rating as defined in the Uniform SMA.

We would consider providing a financial guaranty on behalf of the RFP Bidder should there be no material change in affairs of at least \$ _____ (Indicative Amount). This statement should not and cannot be taken as an indication of financing commitment of any kind whatsoever, or an absolute commitment to provide a financial guaranty.

Signature of a Representative of the RFP Guarantor

Date

Printed Name

Second Item: Information to Prepare the Guaranty

In accordance with Paragraph V.3.3 of the RFP Rules, **THE RFP BIDDER IS ASKED TO PROVIDE THE FOLLOWING INFORMATION TO PREPARE THE GUARANTY:**

- the governing laws under which the RFP Guarantor is organized;
- contact information for the RFP Guarantor, including the name and title of the signatory of the guaranty for notices under the guaranty;
- elections to incorporate any or all of the approved modifications to the Standard Guaranty.

THE RFP BIDDER MUST EITHER: (i) provide the requested information to prepare the guaranty at this time; or: (ii) submit an acknowledgment signed by the Officer of the RFP Bidder that, if the Independent Evaluator notifies the RFP Bidder that the Independent Evaluator is identifying one or more of the RFP Bidder’s Bids to the Commission as winning Bids, the RFP Bidder must provide all required information by 12 PM (noon) EPT on the day after such notification is received.

Is the RFP Bidder providing information to prepare the guaranty at this time?
 Yes No

Yes

THE RFP BIDDER PROVIDES THE INFORMATION TO PREPARE THE GUARANTY BY COMPLETING THE GUARANTY INSERT. The Guaranty Insert is also labelled INSERT #P2-3.

PLEASE REFER TO THE GUARANTY INSERT (#P2-3) FOR THE ACCEPTABLE METHODS TO COMPLETE AND SUBMIT THIS INSERT. IF THIS INSERT IS NOT COMPLETED WITH A DIGITAL SIGNATURE, IT MUST BE SENT BY EMAIL TO THE INDEPENDENT EVALUATOR AT PECOPROUREMENT@NERA.COM BY THE SIGNATORY (HERE THE OFFICER OF THE RFP BIDDER OR THE REPRESENTATIVE OF THE RFP BIDDER) OR WITH THE SIGNATORY ON COPY.

Name of RFP Bidder

GUARANTY INSERT (#P2-3)

THIS INSERT MAY REQUIRE A SIGNATURE. IF REQUIRED, THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE FOR THIS INSERT. THE INDEPENDENT EVALUATOR IS ALSO ACCEPTING AN ELECTRONIC SIGNATURE OR A SCANNED WET SIGNATURE AS LONG AS THIS INSERT IS SENT BY EMAIL BY THE SIGNATORY OR WITH THE SIGNATORY ON COPY.

This Insert may be completed as follows:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory.*

If completed with a digital signature, this Insert and accompanying document or information may be uploaded to the online Part 1 Form or may be sent by email to the Independent Evaluator at PECOProurement@NERA.com.

This Insert may also be completed as follows:

- *Submitted with a scanned wet signature;*

or

- *Submitted with an electronic signature (such as an image of a signature).*

If completed with a scanned or electronic signature, this Insert must be sent by email to the Independent Evaluator at PECOProurement@NERA.com by the signatory (here the Officer of the RFP Bidder or the Representative of the RFP Bidder) or with the signatory on copy.

Please note! RFP Bidders relying on the financial standing of an RFP Guarantor must submit one (but ONLY one) of Insert #P2-3 or Insert #P2-4.

1. Governing Laws under which the RFP Guarantor is Organized

Whether the RFP Guarantor is a Corporation, Partnership, etc.

Appendix 7 to the RFP Rules

Jurisdiction under whose laws the RFP Guarantor is existing and organized.

Name of relevant and binding corporate organizational document, such as Declaration of Trust, Limited Liability Company Agreement, Articles of Incorporation and by-laws.

2. Governing Laws under which the RFP Bidder is Organized

Whether the RFP Bidder is a Corporation, Partnership, etc.

Jurisdiction under whose laws the RFP Bidder is existing and organized.

3. Contact Information

Please provide the name and contact information for the person to whom notices and other communications will be sent under the guaranty:

First Name

Last Name

Title

Company

Street Address

City

State

Zip Code

Phone Number

Fax

Please provide the name and title of the person who will be signing the guaranty:

First Name

Last Name

Title

4. Elections of Optional Modifications to the Guaranty

Optional changes that the RFP Bidder may adopt for the Form of Guaranty are provided in a document entitled "Optional Modifications to the Guaranty" available on the website.

PLEASE INDICATE THE CHANGES THAT YOU ARE ELECTING IN THE TABLE BELOW.

Appendix 7 to the RFP Rules

Optional Change	Paragraph	RFP Bidder adopts change
1	Paragraph 1	<input type="checkbox"/> yes <input type="checkbox"/> no
2	Paragraph 1	<input type="checkbox"/> yes <input type="checkbox"/> no
3	Paragraph 1	<input type="checkbox"/> yes <input type="checkbox"/> no
4	Paragraph 1	<input type="checkbox"/> yes <input type="checkbox"/> no
5	Paragraph 1	<input type="checkbox"/> yes <input type="checkbox"/> no
6	Paragraph 1	<input type="checkbox"/> yes <input type="checkbox"/> no
7	Paragraph 1	<input type="checkbox"/> yes (*a*) <input type="checkbox"/> no Provide the information below under (*a*)
8	Paragraph 2	<input type="checkbox"/> yes <input type="checkbox"/> no
9	Paragraph 4	<input type="checkbox"/> yes <input type="checkbox"/> no
10	Paragraph 5	<input type="checkbox"/> yes <input type="checkbox"/> no
11	Paragraph 10	<input type="checkbox"/> yes <input type="checkbox"/> no
12	Paragraph 11	<input type="checkbox"/> yes <input type="checkbox"/> no
13	Paragraph 11	<input type="checkbox"/> yes <input type="checkbox"/> no
14	Paragraph 12	<input type="checkbox"/> yes <input type="checkbox"/> no
15	Paragraph 13	<input type="checkbox"/> yes <input type="checkbox"/> no
16	Paragraph 14	<input type="checkbox"/> yes <input type="checkbox"/> no
17	Paragraph 14	<input type="checkbox"/> yes <input type="checkbox"/> no
18	Paragraph 14	<input type="checkbox"/> yes <input type="checkbox"/> no
19	Paragraph 14	<input type="checkbox"/> yes <input type="checkbox"/> no
20	Paragraph 17	<input type="checkbox"/> yes (*b*) <input type="checkbox"/> no Provide the information below under (*b*)
21	Closing Paragraph and Signature Block	<input type="checkbox"/> yes (*c*) <input type="checkbox"/> no Provide the information below under (*c*)
22	Additional Guarantor	<input type="checkbox"/> yes (*d*) <input type="checkbox"/> no Provide the information below under (*d*)
23	Additional Guarantor	<input type="checkbox"/> yes (*e*) <input type="checkbox"/> no Provide the information below under (*e*)
24	Paragraph 9	<input type="checkbox"/> yes <input type="checkbox"/> no

(*a*) Optional change #7 is available only to an RFP Bidder that has an outstanding guaranty with PECO.

PLEASE PROVIDE THE FOLLOWING ADDITIONAL INFORMATION IF YOU ELECT OPTIONAL CHANGE #7:

Date of Existing Guaranty

Amount of Existing Guaranty

(*b*) THE REPRESENTATIVE OF THE RFP BIDDER OR THE OFFICER OF THE RFP BIDDER MUST MAKE THE FOLLOWING REPRESENTATION IF YOU ELECT OPTIONAL CHANGE #20:

I, _____ (the Officer of the RFP Bidder or the Representative of the RFP Bidder), certify that the RFP Guarantor, on whose financial standing the RFP Bidder will be relying, is not a trust.

Signature

Date

Appendix 7 to the RFP Rules

(*c*) PLEASE PROVIDE THE NAME AND TITLE OF THE ADDITIONAL PERSON WHO WILL BE SIGNING THE GUARANTY IF YOU ELECT OPTIONAL CHANGE #21:

First Name

Last Name

Title

(*d*) PLEASE PROVIDE THE FOLLOWING ADDITIONAL INFORMATION IF YOU ELECT OPTIONAL CHANGE #22:

Name of Additional Guarantor

Whether the Additional Guarantor is a Corporation, Partnership, etc.

Jurisdiction under whose laws the Additional Guarantor is existing and organized.

(*e*) PLEASE PROVIDE THE FOLLOWING ADDITIONAL INFORMATION IF YOU ELECT OPTIONAL CHANGE #23:

Name of Additional Guarantor

Whether the Additional Guarantor is a Corporation, Partnership, etc.

Jurisdiction under whose laws the Additional Guarantor is existing and organized.

NO

THE OFFICER OF THE RFP BIDDER PROVIDES THE REQUIRED ACKNOWLEDGMENT BY COMPLETING THE DELAY (GUARANTY) INSERT. The Delay (Guaranty) Insert is also labelled INSERT #P2-4.

PLEASE REFER TO THE DELAY (GUARANTY) INSERT (#P2-4) FOR THE ACCEPTABLE METHODS TO COMPLETE AND SUBMIT THIS INSERT. IF THIS INSERT IS NOT COMPLETED WITH A DIGITAL SIGNATURE, IT MUST BE SENT BY EMAIL TO THE INDEPENDENT EVALUATOR AT PECOPROUREMENT@NERA.COM BY THE SIGNATORY (HERE THE OFFICER OF THE RFP BIDDER) OR WITH THE SIGNATORY ON COPY.

Name of RFP Bidder

Ⓞ DELAY (GUARANTY) INSERT (#P2-4)

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE FOR THIS INSERT. THE INDEPENDENT EVALUATOR IS ALSO ACCEPTING AN ELECTRONIC SIGNATURE OR A SCANNED WET SIGNATURE AS LONG AS THIS INSERT IS SENT BY EMAIL BY THE SIGNATORY OR WITH THE SIGNATORY ON COPY.

This Insert may be completed as follows:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory.*

If completed with a digital signature, this Insert and accompanying document or information may be uploaded to the online Part 1 Form or may be sent by email to the Independent Evaluator at PECOProcurement@NERA.com.

This Insert may also be completed as follows:

- *Submitted with a scanned wet signature;*

or

- *Submitted with an electronic signature (such as an image of a signature).*

If completed with a scanned or electronic signature, this Insert must be sent by email to the Independent Evaluator at PECOProcurement@NERA.com by the signatory (here the Officer of the RFP Bidder) or with the signatory on copy.

Please note! RFP Bidders relying on the financial standing of an RFP Guarantor must submit one (but ONLY one) of Insert #P2-3 or Insert #P2-4.

I, _____ (the Officer of the RFP Bidder), acknowledge that, if the Independent Evaluator notifies the RFP Bidder that the Independent Evaluator is identifying one or more of the RFP Bidder's Bids to the Commission as winning Bids, the RFP Bidder must provide all information required by the Guaranty Insert (#P2-3) by 12 PM (noon) EPT on the day after such notification is received.

Signature of Officer

Date

Appendix 7 to the RFP Rules

Third Item: Enforceability Opinion for an Alternate Guaranty

Did you receive approval from PECO to use an alternate guaranty form through the Alternate Guaranty Process?

Yes

No

Yes

EACH RFP BIDDER THAT RELIES ON THE FINANCIAL STANDING OF AN RFP GUARANTOR AND THAT HAS OBTAINED APPROVAL FOR USE OF AN ALTERNATE GUARANTY FORM MUST PROVIDE AN EXECUTED ENFORCEABILITY OPINION for its approved alternate guaranty form on the letterhead of a law firm of national standing.

PLEASE PROVIDE THE ENFORCEABILITY OPINION IN THE SPACE PROVIDED BELOW OR BY EMAIL TO PECOPROUREMENT@NERA.COM.



Enforceability Opinion

Appendix 7 to the RFP Rules

3c. Requirements for RFP Bidders Relying on the Financial Standing of an RFP Principal

AN RFP BIDDER SUBMITTING A PROPOSAL UNDER AN AGENCY AGREEMENT IS REQUIRED TO PROVIDE AN OFFICERS' CERTIFICATE AS WELL AS CONTACT INFORMATION FOR A REPRESENTATIVE OF THE PRINCIPAL as specified in Section V.4 of the RFP Rules.

First Item: Officer's Certificate

PLEASE SUBMIT ONE (1) COPY OF THE REQUIRED OFFICERS' CERTIFICATE, SIGNED BY AN OFFICER OF EACH PRINCIPAL, BY UPLOAD TO THE ONLINE PART 2 FORM OR BY EMAIL TO PECOPROUREMENT@NERA.COM. The Independent Evaluator and PECO will determine whether the document provided is sufficient, without any liability or obligation to the RFP Bidder or its Principal(s). The Officers' Certificate should be substantially in the form of Appendix 6 to the RFP Rules.

	Officers' Certificate
---	-----------------------

Second Item: Signatory to the Uniform SMA

Is a representative of the RFP Bidder authorized to execute the Transaction Confirmation(s) and to sign the Uniform SMA (if applicable) on behalf of the Principal(s)?

- Yes No

NO

Please provide the information of the representative of the Principal who will sign the Uniform SMA (if applicable) and any Transaction Confirmation.

<i>Last Name</i>		<i>First Name</i>	
<input type="text"/>		<input type="text"/>	
<i>Title</i>		<i>Company</i>	
<input type="text"/>		<input type="text"/>	
<i>Street Address Line 1</i>			
<input type="text"/>			
<i>Street Address Line 2</i>			
<input type="text"/>			
<i>City</i>		<i>State</i>	<i>Zip Code</i>
<input type="text"/>		<input type="text"/>	<input type="text"/>
<i>Phone No.</i>	<i>Cell Phone No. (Optional)</i>		<i>Email Address</i>
<input type="text"/>	<input type="text"/>		<input type="text"/>

Appendix 7 to the RFP Rules

4. Foreign RFP Bidders and Foreign Entities

Is the RFP Bidder a Foreign RFP Bidder, or is the RFP Bidder relying on the financial standing of a Foreign Entity as RFP Guarantor or is the RFP Bidder submitting a Proposal under an Agency Agreement with a Foreign Entity as Principal?

Yes No

Yes

AN RFP BIDDER THAT IS A FOREIGN RFP BIDDER OR THAT IS RELYING ON THE FINANCIAL STANDING OF A FOREIGN ENTITY AS RFP GUARANTOR OR THAT SUBMITS A PROPOSAL UNDER AN AGENCY AGREEMENT WITH A FOREIGN ENTITY AS PRINCIPAL IS REQUIRED TO PROVIDE ADDITIONAL INFORMATION AS SPECIFIED IN SECTION V.5 OF THE RFP RULES by completing the P2 Foreign Entity Insert and providing associated documents below. The P2 Foreign Entity Insert is also labelled INSERT #P2-5.

	<i>Insert #P2-5</i>
	<i>Additional Evidence of Creditworthiness</i>
	<i>Additional Evidence of Creditworthiness</i>
	<i>Legal opinion</i>
	<i>Sworn certificate</i>
	<i>Sworn certificate</i>

Name of RFP Bidder



P2 FOREIGN ENTITY INSERT (#P2-5)

Please note! Only RFP Bidders that are Foreign Entities, or that rely on the financial standing of a Foreign Entity as RFP Guarantor, or that submit a Proposal under an Agency Agreement with a Foreign Entity as Principal, are required to complete this Insert. The requirements are provided in Section V.5 of the RFP Rules.

Are you a previously eligible RFP Bidder (i.e., did you successfully complete the Part 2 Proposal on a prior solicitation under DSP VI)?

Yes No

Appendix 7 to the RFP Rules

If no, please complete Section A below.
If yes, please complete Section B below.

SECTION A. RFP BIDDERS THAT HAVE NOT PREVIOUSLY COMPLETED THE PART 2 PROPOSAL

PLEASE COMPLETE ONLY THE ITEM THAT APPLIES TO YOU:

Circumstances	Item to Complete
The RFP Bidder is a Foreign Entity	First Item
The RFP Bidder relies on the financial standing of a Foreign Entity as RFP Guarantor	Second Item
The RFP Bidder is submitting a Proposal under an Agency Agreement with a Foreign Entity as Principal	Third Item

First Item: Required Documents for Foreign RFP Bidders

A FOREIGN RFP BIDDER MUST PROVIDE THE ADDITIONAL DOCUMENTS LISTED BELOW TO THE ONLINE PART 2 FORM OR BY EMAIL TO PECOPROUREMENT@NERA.COM FOR THE FOREIGN RFP BIDDER.

- (1) **one (1) executed original** legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the RFP Bidder is incorporated or otherwise formed that the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the RFP Bidder in the jurisdiction in which it has been incorporated or otherwise formed. Exhibit 4 to the Uniform SMA includes a sample of a sufficient legal opinion.
- (2) **one (1) executed original** sworn certificate of the corporate secretary (or similar officer) of such RFP Bidder that the person executing the Uniform SMA on behalf of the RFP Bidder has the authority to execute the Uniform SMA and that the governing board of such RFP Bidder has approved the execution of the Uniform SMA.
- (3) **one (1) executed original** sworn certificate of the corporate secretary (or similar officer) of such RFP Bidder that the RFP Bidder has been authorized by its governing board to enter into agreements of the same type as the Uniform SMA.

PECO will determine whether such documents are sufficient. **If the documents are not sufficient, the RFP Bidder may not be eligible to continue its participation in the RFP.**

Second Item: Required Documents for RFP Bidders with a Foreign Entity as RFP Guarantor

Appendix 7 to the RFP Rules

AN RFP BIDDER RELYING ON THE FINANCIAL STANDING OF A FOREIGN ENTITY AS RFP GUARANTOR MUST PROVIDE THE ADDITIONAL DOCUMENTS LISTED BELOW TO THE ONLINE PART 2 FORM OR BY EMAIL TO PECOPROUREMENT@NERA.COM FOR THE RFP GUARANTOR TO BE GRANTED UNSECURED CREDIT UNDER THE TERMS OF THE UNIFORM SMA.

- (1) **one (1) executed original** legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the RFP Guarantor is incorporated or otherwise formed that the guaranty pursuant to the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the RFP Guarantor in the jurisdiction in which it has been incorporated or otherwise formed. Exhibit 4 to the Uniform SMA includes a sample of a sufficient legal opinion.
- (2) **one (1) executed original** sworn certificate of the corporate secretary (or similar officer) of such RFP Guarantor that the person executing the guaranty pursuant to the Uniform SMA on behalf of the RFP Guarantor has the authority to execute the guaranty pursuant to the Uniform SMA and that the governing board of such RFP Guarantor has approved the execution of the guaranty pursuant to the Uniform SMA;
- (3) **one (1) executed original** sworn certificate of the corporate secretary (or similar officer) of such RFP Guarantor that the RFP Guarantor has been authorized by its governing board to enter into agreements of the same type as the guaranty pursuant to the Uniform SMA.

If the RFP Bidder does not submit these documents, or if these documents are not sufficient, the Foreign Entity as RFP Guarantor is not granted unsecured credit under the terms of the Uniform SMA. In that case, the RFP Bidder may not rely on the financial standing of the RFP Guarantor. The Independent Evaluator may request additional financial or credit information regarding the RFP Bidder.

Third Item: Required Documents for RFP Bidders with a Foreign Entity as Principal

AN RFP BIDDER SUBMITTING A PROPOSAL UNDER AN AGENCY AGREEMENT WITH A FOREIGN ENTITY AS PRINCIPAL MUST PROVIDE THE ADDITIONAL DOCUMENTS LISTED BELOW TO THE ONLINE PART 2 FORM OR BY EMAIL TO PECOPROUREMENT@NERA.COM.

- (1) **one (1) executed original** legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the Principal is incorporated or otherwise formed that the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the Principal in the jurisdiction in which it has been incorporated or otherwise formed. Exhibit 4 to the Uniform SMA includes a sample of a sufficient legal opinion.
- (2) **one (1) executed original** sworn certificate of the corporate secretary (or similar officer) of such Principal that the Principal has been authorized by its governing board to enter into agreements of the same type as the Uniform SMA.

PECO will determine whether such documents are sufficient. **If the documents are not sufficient, the RFP Bidder may not be eligible to continue its participation in the RFP.**

SECTION B. PREVIOUSLY ELIGIBLE RFP BIDDERS (THAT HAVE SUCCESSFULLY COMPLETED THE PART 2 PROPOSAL IN A PRIOR SOLICITATION)

PLEASE COMPLETE ONLY THE ITEM THAT APPLIES TO YOU:

Circumstances	Item to Complete
The RFP Bidder is a Foreign Entity	First Item
The RFP Bidder relies on the financial standing of a Foreign Entity as RFP Guarantor	Second Item
The RFP Bidder is submitting a Proposal under an Agency Agreement with a Foreign Entity as Principal	Third Item

First Item: Required Documents for Foreign RFP Bidders

For each document required of Foreign RFP Bidders, a Foreign RFP Bidder that is previously eligible must either: (i) confirm that the document and submitted in a previous solicitation under DSP VI remains valid; or: (ii) provide the document by upload to the online Part 2 form or email to pecoprocurement@nera.com if it has changed.

PLEASE USE THE TABLE BELOW TO SELECT, FOR EACH DOCUMENT, WHETHER (I) THE DOCUMENT REMAINS VALID OR (II) THE DOCUMENT HAS CHANGED AND IS BEING RESUBMITTED. By clicking the box that a document remains valid, you are confirming that such document continues to meet the requirements of Section V.5 of the RFP Rules.

REQUIRED DOCUMENTS	Remains valid (not submitted)	Has changed (submitted this solicitation)
one (1) executed original legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the Foreign RFP Bidder is incorporated or otherwise formed that the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the Foreign RFP Bidder in	<input type="checkbox"/>	<input type="checkbox"/>

Appendix 7 to the RFP Rules

the jurisdiction in which it has been incorporated or otherwise formed. Exhibit 4 to the Uniform SMA includes a sample of a sufficient legal opinion.		
one (1) executed original sworn certificate of the corporate secretary (or similar officer) of such Foreign RFP Bidder that the person executing the Uniform SMA on behalf of the Foreign RFP Bidder has the authority to execute the Uniform SMA and that the governing board of such Foreign RFP Bidder has approved the execution of the Uniform SMA.	<input type="checkbox"/>	<input type="checkbox"/>
one (1) executed original sworn certificate of the corporate secretary (or similar officer) of such Foreign RFP Bidder that the Foreign RFP Bidder has been authorized by its governing board to enter into agreements of the same type as the Uniform SMA.	<input type="checkbox"/>	<input type="checkbox"/>

PECO will determine whether such documents are sufficient. If the documents are not sufficient, the RFP Bidder may not be eligible to continue its participation in the RFP.

Second Item: Required Documents for RFP Bidders with a Foreign Entity as RFP Guarantor

For each document required of an RFP Bidder relying on the financial standing of a Foreign Entity as RFP Guarantor, an RFP Bidder that is previously eligible must either: (i) confirm that the document and submitted in a previous solicitation under DSP VI remains valid; or (ii) provide the document by upload to the online Part 2 form or email to pecoprocurement@nera.com if it has changed.

PLEASE USE THE TABLE BELOW TO SELECT, FOR EACH DOCUMENT, WHETHER (I) THE DOCUMENT REMAINS VALID OR (II) THE DOCUMENT HAS CHANGED AND IS BEING RESUBMITTED. By clicking the box that a document remains valid, you are confirming that such document continues to meet the requirements of Section V.5 of the RFP Rules.

REQUIRED DOCUMENTS	Remains valid (not submitted)	Has changed (submitted this solicitation)
one (1) executed original legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the RFP Guarantor is incorporated or otherwise formed that the guaranty pursuant to the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the RFP Guarantor in the jurisdiction in which it has been	<input type="checkbox"/>	<input type="checkbox"/>

Appendix 7 to the RFP Rules

<p>incorporated or otherwise formed. Exhibit 4 to the Uniform SMA includes a sample of a sufficient legal opinion.</p>		
<p>one (1) executed original sworn certificate of the corporate secretary (or similar officer) of such RFP Guarantor that the person executing the guaranty pursuant to the Uniform SMA on behalf of the RFP Guarantor has the authority to execute the guaranty pursuant to the Uniform SMA and that the governing board of such RFP Guarantor has approved the execution of the guaranty pursuant to the Uniform SMA</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>one (1) executed original sworn certificate of the corporate secretary (or similar officer) of such RFP Guarantor that the RFP Guarantor has been authorized by its governing board to enter into agreements of the same type as the guaranty pursuant to the Uniform SMA.</p>	<input type="checkbox"/>	<input type="checkbox"/>

If these documents are not sufficient, the Foreign Entity as RFP Guarantor is not granted unsecured credit under the terms of the Uniform SMA. In that case, the RFP Bidder may not rely on the financial standing of the RFP Guarantor. The Independent Evaluator may request additional financial or credit information regarding the RFP Bidder.

Third Item: Required Documents for RFP Bidders with a Foreign Entity as Principal

For each document required of an RFP Bidder submitting a Proposal under an Agency Agreement with a Principal that is a foreign entity, an RFP Bidder that is previously eligible must either: (i) confirm that the document and submitted in a previous solicitation under DSP VI remains valid; or: (ii) provide the document by upload to the online Part 2 form or email to pecoprocurement@nera.com if it has changed.

PLEASE USE THE TABLE BELOW TO SELECT, FOR EACH DOCUMENT, WHETHER (I) THE DOCUMENT REMAINS VALID OR (II) THE DOCUMENT HAS CHANGED AND IS BEING RESUBMITTED. By clicking the box that a document remains valid, you are confirming that such document continues to meet the requirements of Section V.5 of the RFP Rules.

<p>REQUIRED DOCUMENTS</p>	<p>Remains valid (not submitted)</p>	<p>Has changed (submitted this solicitation)</p>
----------------------------------	---	---

Appendix 7 to the RFP Rules

one (1) executed original legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the Principal is incorporated or otherwise formed that the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the Principal in the jurisdiction in which it has been incorporated or otherwise formed. Exhibit 4 to the Uniform SMA includes a sample of a sufficient legal opinion.

one (1) executed original sworn certificate of the corporate secretary (or similar officer) of such Principal that the Principal has been authorized by its governing board to enter into agreements of the same type as the Uniform SMA.

PECO will determine whether such documents are sufficient. If the documents are not sufficient, the RFP Bidder may not be eligible to continue its participation in the RFP.

No

The requirements of this section do not apply to you.

Appendix 7 to the RFP Rules

5. Bids

Reminder: Each RFP Bidder submits its Bids electronically, by transferring its Bid Form through a secure file transfer system. The Independent Evaluator provides electronically to each RFP Bidder qualified pursuant to a successful Part 1 Proposal the Bid Form as well as a set of instructions. These instructions guide the RFP Bidder for completion of the Bid Form, for optional encryption of the Bid Form, for submission of the completed Bid Form to the Independent Evaluator via secure file transfer interface, as well as instructions for backup methods for the submission of Bids in case of technical difficulties with the electronic transfer.

Important! The Independent Evaluator provides electronically to each RFP Bidder that qualifies pursuant to a successful Part 1 Proposal information required for the submission of Bids, including a username, password, and security code. This information is unique to each RFP Bidder and allows the Independent Evaluator to authenticate the Bids received. The RFP Bidder must acknowledge that the RFP Bidder has received intact the information necessary to submit Bids and that no one but authorized personnel of the RFP Bidder has had access to this information.

Please provide this confirmation below.

I confirm receipt of the Bid Form, instructions, and information necessary to submit Bids. No one but authorized personnel of the RFP Bidder has had access to this information.

I request that such information and documents be re-issued.

Appendix 7 to the RFP Rules

6. Justification of Omissions Section

If you are unable to provide all documents or information with this Part 2 Form, please justify fully any omissions in the space provided below.

If you are providing additional documents, such as providing the P1 Certifications Insert if the individual who is serving as Officer of the RFP Bidder has changed, please use the spaces below to upload these documents.

	<i>File upload</i>
	<i>File upload</i>
	<i>File upload</i>

APPENDIX 8 – ILLUSTRATIVE PART 2 FORM DEFAULT SERVICE PROGRAM REQUEST FOR PROPOSALS

SHORT FORM

PECO Energy Company (“Company” or “PECO”) is intending to obtain full requirements electric supply to meet a portion of its obligations as Default Service Provider through this Request for Proposals (“RFP”).

Before completing this online Part 2 Form, please review the RFP, including the PECO Energy Company Pennsylvania Default Service Supplier Master Agreement (“Uniform SMA”), so that you understand the conditions under which the RFP will be conducted. These documents are posted at www.pecoprocurement.com.

By having submitted a Part 1 Proposal in response to this RFP, you agreed to all terms and conditions of this RFP.

Any information provided by an RFP Bidder in the Part 2 Proposal is provided on a confidential basis to the Independent Evaluator, and may be provided on a confidential basis to the Staff of the Pennsylvania Public Utility Commission (“Commission”). PECO representatives will review financial information and legal documents provided to fulfill the requirements of the Part 2 Proposal, and will participate in the evaluation of the Pre-Bid Letter of Credit with the name of the RFP Bidder and the amount redacted.

Appendix 8 to the RFP Rules

PART 2 FORM

1. Contact Information and Representations

First Item: Name and Address of the RFP Bidder

Below is the information that you previously provided. **PLEASE MAKE ANY NECESSARY UPDATES TO THE RFP BIDDER'S LEGAL NAME AND ADDRESS.** By submitting this form without making updates, you will be confirming that the previously provided information remains valid.

Legal Name of RFP Bidder

Street Address Line 1

Street Address Line 2

City

State

Zip Code

IF THE LEGAL NAME OF THE RFP BIDDER HAS CHANGED, PLEASE PROVIDE EVIDENCE OF THE CHANGE.

	Evidence of name change (if necessary)
---	--

Second Item: Contact Information for the Officer of the RFP Bidder

Below is the information that you previously provided. **PLEASE MAKE ANY UPDATES TO THE NAME AND CONTACT INFORMATION FOR THE OFFICER OF THE RFP BIDDER.** By submitting this form without making updates, you will be confirming that the previously provided information remains valid.

Please note that the Officer of the RFP Bidder named in the Part 1 Proposal must make all representations and certifications in this Part 2 Proposal. If the individual serving as Officer of the RFP Bidder has changed, the RFP Bidder will be required to resubmit all certifications required by the Part 1 Proposal.

First Name

Last Name

Title

Street Address Line 1

Street Address Line 2

City

State

Zip Code

Business Phone No.

Cell Phone No.

Email Address

Appendix 8 to the RFP Rules

Third Item: Contact Information for the Representative

Below is the information that you previously provided. **PLEASE MAKE ANY UPDATES TO THE NAME AND CONTACT INFORMATION FOR THE REPRESENTATIVE OF THE RFP BIDDER.** By submitting this form without making updates, you will be confirming that the previously provided information remains valid.

First Name	Last Name	
<input type="text" value="[pre-populated]"/>	<input type="text" value="[pre-populated]"/>	
Title		
<input type="text" value="[pre-populated]"/>		
Street Address Line 1		
<input type="text" value="[pre-populated]"/>		
Street Address Line 2		
<input type="text" value="[pre-populated]"/>		
City	State	Zip Code
<input type="text" value="[pre-populated]"/>	<input type="text" value="[pre-populated]"/>	<input type="text" value="[pre-populated]"/>
Business Phone No.	Cell Phone No.	Email Address
<input type="text" value="[pre-populated]"/>	<input type="text" value="[pre-populated]"/>	<input type="text" value="[pre-populated]"/>

Fourth Item: Representations of the Officer of the RFP Bidder

THE OFFICER OF THE RFP BIDDER MUST MAKE A NUMBER OF CERTIFICATIONS TO FULFILL THE REQUIREMENTS OF THE PART 2 PROPOSAL. If the Officer of the RFP Bidder who made the representations and certifications of the Part 1 Form is unavailable to make the representations of the Part 2 Form, the RFP Bidder must name a new individual to serve as Officer of the RFP Bidder and must, in addition to making the representations required in the Part 2 Proposal, re-submit the certifications of the Part 1 Form by the Part 2 Date.

THE OFFICER OF THE RFP BIDDER MUST MAKE A NUMBER OF CERTIFICATIONS BY COMPLETING THE P2 CERTIFICATIONS INSERT. The P2 Certifications Insert is also labelled INSERT #P2-1.

PLEASE REFER TO THE P2 CERTIFICATIONS INSERT (#P2-1) FOR THE ACCEPTABLE METHODS TO COMPLETE AND SUBMIT THIS INSERT.

Name of RFP Bidder

 **P2 CERTIFICATIONS INSERT (#P2-1)**

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE OR A NOTARIZED SIGNATURE FOR THIS INSERT.

This Insert may be completed as follows:

Appendix 8 to the RFP Rules

- *Signed by the Officer of the RFP Bidder with the signature notarized;*
- or:*
- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory. Digital signatures are not required to be notarized.*

This Insert and any accompanying document or information may be submitted as follows:

- *Uploaded to the online Part 1 Form;*
- or:*
- *Sent by email to the Independent Evaluator at PECOProcurement@nera.com.*

THE OFFICER OF THE RFP BIDDER MUST MAKE THE FOLLOWING CERTIFICATIONS.

- (1) I certify that this Part 2 Proposal will remain valid and remain in full force and effect until six (6) business days after the Bid Date and if any information provided in the Part 2 Proposal changes or any previous certification fails to remain valid during that time, the RFP Bidder will notify the Independent Evaluator as soon as practicable.
- (2) I certify that the RFP Bidder is bidding independently and that it has no knowledge of any information concerning a Proposal by another RFP Bidder in response to this solicitation or any future solicitation under this RFP. Such information includes, but is not limited to: the fact that another RFP Bidder is submitting a Proposal in response to this solicitation or a subsequent solicitation under this RFP; the Bids by another RFP Bidder in this or in a subsequent solicitation under this RFP; the number of tranches bid by another RFP Bidder for any product in this or in a subsequent solicitation under this RFP; the estimation by another RFP Bidder of the value of a tranche of a product; the estimation by another RFP Bidder of the risks associated with providing supply under the Uniform SMA; the preference of another RFP Bidder for bidding on specific products in this or in a subsequent solicitation under the RFP; and the contractual arrangements for power of another RFP Bidder to serve tranches of Default Service Load were that RFP Bidder to become a Default Supplier. This certification must be binding and in effect until the Commission has either approved or rejected each of the winning Bids for this solicitation.
- (3) I certify that although the RFP Bidder may disclose aspects of its Proposal in communicating with its financial institution for the purpose of preparing the Pre-Bid Letter of Credit or in communicating with advisors (if any), any such communication is made in a manner that can reasonably be expected to maintain the confidentiality of the RFP Bidder's Proposal.
- (4) I certify that, with only the exceptions noted in (3) above, the RFP Bidder has not disclosed, and will not otherwise disclose, publicly or to any other party any information relating to its Proposal, which could have an effect on whether another party submits a Proposal in any solicitation under the RFP, or on the contents of the Proposal that another RFP Bidder would be willing to submit in response to the RFP. Such information includes, but is not limited to: the fact that the RFP Bidder is submitting a Proposal in response to this RFP; the RFP Bidder's Bids in this or in a subsequent solicitation under this RFP; the RFP Bidder's number of tranches bid for any product in this or in a subsequent solicitation under this RFP; the RFP Bidder's estimation of the value of a tranche of a product; the RFP Bidder's estimation of the risks associated with providing supply under the Uniform SMA; and the RFP Bidder's preference for bidding on specific products in

this or in a subsequent solicitation under this RFP. This certification must be binding and in effect until the Commission has either approved or rejected each of the winning Bids for this solicitation.

- (5) I certify that any Bid on any product submitted in response to this RFP for this solicitation is binding until six (6) business days after the Bid Date and constitutes a binding and irrevocable offer to provide service under the terms of the Uniform SMA at the price specified in the Bid.
- (6) I certify that I will execute (or I will nominate another authorized individual to execute) the Uniform SMA and all Transaction Confirmation(s) for the RFP Bidder’s Bids that are approved by the Commission no later than 2PM on the third business day after the Commission has accepted such Bids.
- (7) I certify that in each Transaction Confirmation, the RFP Bidder will specify a price for each type of AECs (Tier I, Tier I Solar, and Tier II) that is included in the RFP Bidder’s winning Bids and each such price must be greater than \$0/AEC.

Signature of Officer

Date

Signature and Seal from Notary Public

Date

2. Pre-Bid Letter of Credit

THE RFP BIDDER MUST PROVIDE AN EXECUTED PRE-BID LETTER OF CREDIT, drawn for the account of the RFP Bidder and acceptable to PECO, **IN AN AMOUNT OF AT LEAST: \$250,000 PER TRANCHE BID ON PRODUCTS OF THE RES AND SC CLASSES FOR FULL REQUIREMENTS ON A FIXED-PRICE BASIS, PLUS, IF APPLICABLE, \$125,000 PER TRANCHE BID ON A PRODUCT FOR THE CCI CLASS FOR FULL REQUIREMENTS ON A SPOT-PRICE BASIS.** A single Pre-Bid Letter of Credit is submitted even if the RFP Bidder bids on more than one product or, if applicable, the RFP Bidder bids to supply both full requirements on a fixed-price basis and full requirements on a spot-price basis.

The RFP Bidder must either use the Standard Pre-Bid Letter of Credit, provided on www.pecoprocedure.com, or submit a Pre-Bid Letter of Credit that incorporates only those modifications to the Standard Pre-Bid Letter of Credit accepted as a result of the evaluation of the Part 1 Proposals.

THE PRE-BID LETTER OF CREDIT MUST BE SUBMITTED AS AN ELECTRONIC PDF FILE VIA ELECTRONIC MEANS ONLY to the Independent Evaluator at pecoprocedure@nera.com. A Pre-Bid Letter of Credit sent in hardcopy cannot be accepted.

PECO and the Independent Evaluator will release the Pre-Bid Letter of Credit no later than six (6) business days after the Bid Date. If the Commission does not approve any of the RFP Bidder’s Bids, PECO and the Independent Evaluator will release that RFP Bidder’s Pre-Bid Letter of Credit within three (3) business days of the Bid Date.

Would you like to provide special instructions for returning the Pre-Bid Letter of Credit?

Appendix 8 to the RFP Rules

Yes

No

PLEASE PROVIDE SPECIAL INSTRUCTIONS FOR RETURNING THE PRE-BID LETTER OF CREDIT BELOW.

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3. Additional Requirements

3a. Requirements for RFP Bidders Relying on Their Own Financial Standing

You previously elected the RFP Bidder as the entity on whose financial standing the RFP Bidder is relying. **YOU HAVE NO ADDITIONAL REQUIREMENTS** under this section and you may proceed to the next section.

3b. Requirements for RFP Bidders Relying on the Financial Standing of an RFP Guarantor

Is the RFP Bidder a Default Supplier serving tranches won in a solicitation under DSP VI?

Yes No

If Yes, please proceed to the Section 4.

If No, you previously elected an RFP Guarantor as the entity on whose financial standing the RFP Bidder is relying. **THE RFP BIDDER MUST PROVIDE THE GUARANTY DOCUMENTS REQUIRED BY THIS SECTION.**

No

First Item: Intent to Provide a Guaranty

A REPRESENTATIVE OF THE RFP GUARANTOR WHO IS AUTHORIZED TO UNDERTAKE CONTRACTS (INCLUDING THE GUARANTY) AND BIND THAT RFP GUARANTOR MUST MAKE THE CERTIFICATIONS PROVIDED IN THE GUARANTY INTENT INSERT. The Guaranty Intent Insert is also labelled INSERT #P2-2.

PLEASE REFER TO THE GUARANTY INTENT INSERT (#P2-2) FOR THE ACCEPTABLE METHODS TO COMPLETE AND SUBMIT THIS INSERT. IF THIS INSERT IS NOT COMPLETED WITH A DIGITAL SIGNATURE, IT MUST BE SENT BY EMAIL TO THE INDEPENDENT EVALUATOR AT PECOPROUREMENT@NERA.COM BY THE SIGNATORY (HERE A REPRESENTATIVE OF THE RFP GUARANTOR) OR WITH THE SIGNATORY ON COPY.

Name of RFP Bidder

 **GUARANTY INTENT INSERT (#P2-2)**

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE FOR THIS INSERT. THE INDEPENDENT EVALUATOR IS ALSO ACCEPTING AN ELECTRONIC SIGNATURE OR A SCANNED WET SIGNATURE AS LONG AS THIS INSERT IS SENT BY EMAIL BY THE SIGNATORY OR WITH THE SIGNATORY ON COPY.

This Insert may be completed as follows:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory.*

If completed with a digital signature, this Insert and accompanying document or information may be uploaded to the online Part 1 Form or may be sent by email to the Independent Evaluator at PECOProurement@NERA.com.

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This Insert may also be completed as follows:

- Submitted with a scanned wet signature;

or

- Submitted with an electronic signature (such as an image of a signature).

If completed with a scanned or electronic signature, this Insert must be sent by email to the Independent Evaluator at PECOProcurement@NERA.com by the signatory (here a Representative of the RFP Guarantor) or with the signatory on copy.

PLEASE PROVIDE THE INDICATIVE AMOUNT OF THE GUARANTY IN THE SPACE PROVIDED. THE INDICATIVE AMOUNT MUST MEET OR EXCEED THE SUM OF: (I) \$600,000 TIMES THE NUMBER OF TRANCHES BID ON PRODUCTS FOR THE RES AND SC CLASSES FOR FULL REQUIREMENTS ON A FIXED-PRICE BASIS; AND, IF APPLICABLE, (II) \$300,000 TIMES THE NUMBER OF TRANCHES BID ON THE CCI CLASS FOR FULL REQUIREMENTS ON A SPOT-PRICE BASIS.

I acknowledge that _____ (“RFP Guarantor”) has been asked to provide a financial guaranty on behalf of _____ (“RFP Bidder”) should the RFP Bidder become a Default Supplier pursuant to its response under this RFP for procuring supply under the terms of the Uniform SMA. Our senior unsecured debt rating meets the Minimum Rating as defined in the Uniform SMA.

We would consider providing a financial guaranty on behalf of the RFP Bidder should there be no material change in affairs of at least \$ _____ (Indicative Amount). This statement should not and cannot be taken as an indication of financing commitment of any kind whatsoever, or an absolute commitment to provide a financial guaranty.

Signature of a Representative of the RFP Guarantor

Date

Printed Name

Second Item: Information to Prepare the Guaranty

In accordance with Paragraph V.3.3 of the RFP Rules, **THE RFP BIDDER IS ASKED TO PROVIDE THE FOLLOWING INFORMATION TO PREPARE THE GUARANTY:**

- the governing laws under which the RFP Guarantor is organized;
- contact information for the RFP Guarantor, including the name and title of the signatory of the guaranty for notices under the guaranty;
- elections to incorporate any or all of the approved modifications to the Standard Guaranty.

THE RFP BIDDER MUST EITHER: (i) provide the requested information to prepare the guaranty at this time; or: (ii) submit an acknowledgment signed by the Officer of the RFP Bidder that, if the Independent Evaluator notifies the RFP Bidder that the Independent Evaluator is identifying one or more of the RFP

Appendix 8 to the RFP Rules

Bidder's Bids to the Commission as winning Bids, the RFP Bidder must provide all required information by 12 PM (noon) EPT on the day after such notification is received.

Is the RFP Bidder providing information to prepare the guaranty at this time?

Yes No

Yes

THE RFP BIDDER PROVIDES THE INFORMATION TO PREPARE THE GUARANTY BY COMPLETING THE GUARANTY INSERT. The Guaranty Insert is also labelled INSERT #P2-3.

PLEASE REFER TO THE GUARANTY INSERT (#P2-3) FOR THE ACCEPTABLE METHODS TO COMPLETE AND SUBMIT THIS INSERT. IF THIS INSERT IS NOT COMPLETED WITH A DIGITAL SIGNATURE, IT MUST BE SENT BY EMAIL TO THE INDEPENDENT EVALUATOR AT PECOPROUREMENT@NERA.COM BY THE SIGNATORY (HERE THE OFFICER OF THE RFP BIDDER OR THE REPRESENTATIVE OF THE RFP BIDDER OR WITH THE SIGNATORY ON COPY.

Name of RFP Bidder

 **GUARANTY INSERT (#P2-3)**

THIS INSERT MAY REQUIRE A SIGNATURE. IF REQUIRED, THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE FOR THIS INSERT. THE INDEPENDENT EVALUATOR IS ALSO ACCEPTING AN ELECTRONIC SIGNATURE OR A SCANNED WET SIGNATURE AS LONG AS THIS INSERT IS SENT BY EMAIL BY THE SIGNATORY OR WITH THE SIGNATORY ON COPY.

This Insert may be completed as follows:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory.*

If completed with a digital signature, this Insert and accompanying document or information may be uploaded to the online Part 1 Form or may be sent by email to the Independent Evaluator at PECOProurement@NERA.com.

This Insert may also be completed as follows:

- *Submitted with a scanned wet signature;*

or

- *Submitted with an electronic signature (such as an image of a signature).*

If completed with a scanned or electronic signature, this Insert must be sent by email to the Independent Evaluator at PECOProurement@NERA.com by the signatory (here the Officer of the RFP Bidder or the Representative of the RFP Bidder) or with the signatory on copy.

Appendix 8 to the RFP Rules

Please note! RFP Bidders relying on the financial standing of an RFP Guarantor must submit one (but ONLY one) of Insert #P2-3 or Insert #P2-4.

1. Governing Laws under which the RFP Guarantor is Organized

Whether the RFP Guarantor is a Corporation, Partnership, etc.

Jurisdiction under whose laws the RFP Guarantor is existing and organized.

Name of relevant and binding corporate organizational document, such as Declaration of Trust, Limited Liability Company Agreement, Articles of Incorporation and by-laws.

2. Governing Laws under which the RFP Bidder is Organized

Whether the RFP Bidder is a Corporation, Partnership, etc.

Jurisdiction under whose laws the RFP Bidder is existing and organized.

3. Contact Information

Please provide the name and contact information for the person to whom notices and other communications will be sent under the guaranty:

First Name

Last Name

Title

Company

Street Address

City

State

Zip Code

Phone Number

Fax

Please provide the name and title of the person who will be signing the guaranty:

First Name

Last Name

Title

Appendix 8 to the RFP Rules

4. Elections of Optional Modifications to the Guaranty

Optional changes that the RFP Bidder may adopt for the Form of Guaranty are provided in a document entitled “Optional Modifications to the Guaranty” available on the website. **PLEASE INDICATE THE CHANGES THAT YOU ARE ELECTING IN THE TABLE BELOW.**

Optional Change	Paragraph	RFP Bidder adopts change
1	Paragraph 1	<input type="checkbox"/> yes <input type="checkbox"/> no
2	Paragraph 1	<input type="checkbox"/> yes <input type="checkbox"/> no
3	Paragraph 1	<input type="checkbox"/> yes <input type="checkbox"/> no
4	Paragraph 1	<input type="checkbox"/> yes <input type="checkbox"/> no
5	Paragraph 1	<input type="checkbox"/> yes <input type="checkbox"/> no
6	Paragraph 1	<input type="checkbox"/> yes <input type="checkbox"/> no
7	Paragraph 1	<input type="checkbox"/> yes (*a*) <input type="checkbox"/> no Provide the information below under (*a*)
8	Paragraph 2	<input type="checkbox"/> yes <input type="checkbox"/> no
9	Paragraph 4	<input type="checkbox"/> yes <input type="checkbox"/> no
10	Paragraph 5	<input type="checkbox"/> yes <input type="checkbox"/> no
11	Paragraph 10	<input type="checkbox"/> yes <input type="checkbox"/> no
12	Paragraph 11	<input type="checkbox"/> yes <input type="checkbox"/> no
13	Paragraph 11	<input type="checkbox"/> yes <input type="checkbox"/> no
14	Paragraph 12	<input type="checkbox"/> yes <input type="checkbox"/> no
15	Paragraph 13	<input type="checkbox"/> yes <input type="checkbox"/> no
16	Paragraph 14	<input type="checkbox"/> yes <input type="checkbox"/> no
17	Paragraph 14	<input type="checkbox"/> yes <input type="checkbox"/> no
18	Paragraph 14	<input type="checkbox"/> yes <input type="checkbox"/> no
19	Paragraph 14	<input type="checkbox"/> yes <input type="checkbox"/> no
20	Paragraph 17	<input type="checkbox"/> yes (*b*) <input type="checkbox"/> no Provide the information below under (*b*)
21	Closing Paragraph and Signature Block	<input type="checkbox"/> yes (*c*) <input type="checkbox"/> no Provide the information below under (*c*)
22	Additional Guarantor	<input type="checkbox"/> yes (*d*) <input type="checkbox"/> no Provide the information below under (*d*)
23	Additional Guarantor	<input type="checkbox"/> yes (*e*) <input type="checkbox"/> no Provide the information below under (*e*)
24	Paragraph 9	<input type="checkbox"/> yes <input type="checkbox"/> no

(*a*) Optional change #7 is available only to an RFP Bidder that has an outstanding guaranty with PECO.

PLEASE PROVIDE THE FOLLOWING ADDITIONAL INFORMATION IF YOU ELECT OPTIONAL CHANGE #7:

Date of Existing Guaranty

Amount of Existing Guaranty

Appendix 8 to the RFP Rules

(*b*) THE REPRESENTATIVE OF THE RFP BIDDER OR THE OFFICER OF THE RFP BIDDER MUST MAKE THE FOLLOWING REPRESENTATION IF YOU ELECT OPTIONAL CHANGE #20:

I, _____ (the Officer of the RFP Bidder or the Representative of the RFP Bidder), certify that the RFP Guarantor, on whose financial standing the RFP Bidder will be relying, is not a trust.

Signature Date

(*c*) PLEASE PROVIDE THE NAME AND TITLE OF THE ADDITIONAL PERSON WHO WILL BE SIGNING THE GUARANTY IF YOU ELECT OPTIONAL CHANGE #21:

First Name Last Name

Title

(*d*) PLEASE PROVIDE THE FOLLOWING ADDITIONAL INFORMATION IF YOU ELECT OPTIONAL CHANGE #22:

Name of Additional Guarantor

Whether the Additional Guarantor is a Corporation, Partnership, etc.

Jurisdiction under whose laws the Additional Guarantor is existing and organized.

(*e*) PLEASE PROVIDE THE FOLLOWING ADDITIONAL INFORMATION IF YOU ELECT OPTIONAL CHANGE #23:

Name of Additional Guarantor

Whether the Additional Guarantor is a Corporation, Partnership, etc.

Jurisdiction under whose laws the Additional Guarantor is existing and organized.

NO

THE OFFICER OF THE RFP BIDDER PROVIDES THE REQUIRED ACKNOWLEDGMENT BY COMPLETING THE DELAY (GUARANTY) INSERT. The Delay (Guaranty) Insert is also labelled INSERT #P2-4.

PLEASE REFER TO THE DELAY (GUARANTY) INSERT (#P2-4) FOR THE ACCEPTABLE METHODS TO COMPLETE AND SUBMIT THIS INSERT. IF THIS INSERT IS NOT COMPLETED WITH A DIGITAL SIGNATURE, IT MUST BE SENT BY EMAIL TO THE INDEPENDENT EVALUATOR AT PECOPROUREMENT@NERA.COM BY THE SIGNATORY (HERE THE OFFICER OF THE RFP BIDDER) OR WITH THE SIGNATORY ON COPY.

Name of RFP Bidder

DELAY (GUARANTY) INSERT (#P2-4)

THE INDEPENDENT EVALUATOR IS ACCEPTING A DIGITAL SIGNATURE FOR THIS INSERT. THE INDEPENDENT EVALUATOR IS ALSO ACCEPTING AN ELECTRONIC SIGNATURE OR A SCANNED WET SIGNATURE AS LONG AS THIS INSERT IS SENT BY EMAIL BY THE SIGNATORY OR WITH THE SIGNATORY ON COPY.

This Insert may be completed as follows:

- *Submitted with a digital signature (using commercially available software such as DocuSign) with an accompanying document or information verifying the identity of the signatory.*

If completed with a digital signature, this Insert and accompanying document or information may be uploaded to the online Part 1 Form or may be sent by email to the Independent Evaluator at PECOProurement@NERA.com.

This Insert may also be completed as follows:

- *Submitted with a scanned wet signature;*
- or
- *Submitted with an electronic signature (such as an image of a signature).*

If completed with a scanned or electronic signature, this Insert must be sent by email to the Independent Evaluator at PECOProurement@NERA.com by the signatory (here the Officer of the RFP Bidder) or with the signatory on copy.

Please note! RFP Bidders relying on the financial standing of an RFP Guarantor must submit one (but ONLY one) of Insert #P2-3 or Insert #P2-4.

I, _____ (the Officer of the RFP Bidder), acknowledge that, if the Independent Evaluator notifies the RFP Bidder that the Independent Evaluator is identifying one or more of the RFP Bidder's Bids to

Appendix 8 to the RFP Rules

the Commission as winning Bids, the RFP Bidder must provide all information required by the Guaranty Insert (#P2-3) by 12 PM (noon) EPT on the day after such notification is received.

Signature of Officer

Date

Appendix 8 to the RFP Rules

3c. Requirements for RFP Bidders Relying on the Financial Standing of an RFP Principal

AN RFP BIDDER SUBMITTING A PROPOSAL UNDER AN AGENCY AGREEMENT IS REQUIRED TO PROVIDE AN OFFICERS' CERTIFICATE AS WELL AS CONTACT INFORMATION FOR A REPRESENTATIVE OF THE PRINCIPAL as specified in Section V.4 of the RFP Rules.

First Item: Officer's Certificate

PLEASE SUBMIT ONE (1) COPY OF THE REQUIRED OFFICERS' CERTIFICATE, SIGNED BY AN OFFICER OF EACH PRINCIPAL, BY UPLOAD TO THE ONLINE PART 2 FORM OR BY EMAIL TO PECOPROUREMENT@NERA.COM. The Independent Evaluator and PECO will determine whether the document provided is sufficient, without any liability or obligation to the RFP Bidder or its Principal(s). The Officers' Certificate should be substantially in the form of Appendix 6 to the RFP Rules.

	<i>Officers' Certificate</i>
---	------------------------------

Second Item: Signatory to the Uniform SMA

Is a representative of the RFP Bidder authorized to execute the Transaction Confirmation(s) and to sign the Uniform SMA (if applicable) on behalf of the Principal(s)?

- Yes No

NO

Please provide the information of the representative of the Principal who will sign the Uniform SMA (if applicable) and any Transaction Confirmation.

<i>Last Name</i>		<i>First Name</i>	
<input type="text"/>		<input type="text"/>	
<i>Title</i>		<i>Company</i>	
<input type="text"/>		<input type="text"/>	
<i>Street Address Line 1</i>			
<input type="text"/>			
<i>Street Address Line 2</i>			
<input type="text"/>			
<i>City</i>		<i>State</i>	<i>Zip Code</i>
<input type="text"/>		<input type="text"/>	<input type="text"/>
<i>Phone No.</i>	<i>Cell Phone No. (Optional)</i>		<i>Email Address</i>
<input type="text"/>	<input type="text"/>		<input type="text"/>

Appendix 8 to the RFP Rules

4. Foreign RFP Bidders and Foreign Entities

Is the RFP Bidder a Foreign RFP Bidder, or is the RFP Bidder relying on the financial standing of a Foreign Entity as RFP Guarantor or is the RFP Bidder submitting a Proposal under an Agency Agreement with a Foreign Entity as Principal?

Yes No

Yes

AN RFP BIDDER THAT IS A FOREIGN RFP BIDDER OR THAT IS RELYING ON THE FINANCIAL STANDING OF A FOREIGN ENTITY AS RFP GUARANTOR OR THAT SUBMITS A PROPOSAL UNDER AN AGENCY AGREEMENT WITH A FOREIGN ENTITY AS PRINCIPAL IS REQUIRED TO PROVIDE ADDITIONAL INFORMATION AS SPECIFIED IN SECTION V.5 OF THE RFP RULES by completing the P2 Foreign Entity Insert and providing associated documents below. The P2 Foreign Entity Insert is also labelled INSERT #P2-5.

	<i>Insert #P2-5</i>
	<i>Additional Evidence of Creditworthiness</i>
	<i>Additional Evidence of Creditworthiness</i>
	<i>Legal opinion</i>
	<i>Sworn certificate</i>
	<i>Sworn certificate</i>

Name of RFP Bidder

 **P2 FOREIGN ENTITY INSERT (#P2-5)**

Please note! Only RFP Bidders that are Foreign Entities, or that rely on the financial standing of a Foreign Entity as RFP Guarantor, or that submit a Proposal under an Agency Agreement with a Foreign Entity as Principal, are required to complete this Insert. The requirements are provided in Section V.5 of the RFP Rules.

Are you a previously eligible RFP Bidder (i.e., did you successfully complete the Part 2 Proposal on a prior solicitation under DSP VI)?

Yes No

Appendix 8 to the RFP Rules

If no, please complete Section A below.
If yes, please complete Section B below.

SECTION A. RFP BIDDERS THAT HAVE NOT PREVIOUSLY COMPLETED THE PART 2 PROPOSAL

PLEASE COMPLETE ONLY THE ITEM THAT APPLIES TO YOU:

Circumstances	Item to Complete
The RFP Bidder is a Foreign Entity	First Item
The RFP Bidder relies on the financial standing of a Foreign Entity as RFP Guarantor	Second Item
The RFP Bidder is submitting a Proposal under an Agency Agreement with a Foreign Entity as Principal	Third Item

First Item: Required Documents for Foreign RFP Bidders

A FOREIGN RFP BIDDER MUST PROVIDE THE ADDITIONAL DOCUMENTS LISTED BELOW TO THE ONLINE PART 2 FORM OR BY EMAIL TO PECOPROUREMENT@NERA.COM FOR THE FOREIGN RFP BIDDER.

- (1) **one (1) executed original** legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the RFP Bidder is incorporated or otherwise formed that the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the RFP Bidder in the jurisdiction in which it has been incorporated or otherwise formed. Exhibit 4 to the Uniform SMA includes a sample of a sufficient legal opinion.
- (2) **one (1) executed original** sworn certificate of the corporate secretary (or similar officer) of such RFP Bidder that the person executing the Uniform SMA on behalf of the RFP Bidder has the authority to execute the Uniform SMA and that the governing board of such RFP Bidder has approved the execution of the Uniform SMA.
- (3) **one (1) executed original** sworn certificate of the corporate secretary (or similar officer) of such RFP Bidder that the RFP Bidder has been authorized by its governing board to enter into agreements of the same type as the Uniform SMA.

PECO will determine whether such documents are sufficient. **If the documents are not sufficient, the RFP Bidder may not be eligible to continue its participation in the RFP.**

Second Item: Required Documents for RFP Bidders with a Foreign Entity as RFP Guarantor

Appendix 8 to the RFP Rules

AN RFP BIDDER RELYING ON THE FINANCIAL STANDING OF A FOREIGN ENTITY AS RFP GUARANTOR MUST PROVIDE THE ADDITIONAL DOCUMENTS LISTED BELOW TO THE ONLINE PART 2 FORM OR BY EMAIL TO PECOPROUREMENT@NERA.COM FOR THE RFP GUARANTOR TO BE GRANTED UNSECURED CREDIT UNDER THE TERMS OF THE UNIFORM SMA.

- (1) **one (1) executed original** legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the RFP Guarantor is incorporated or otherwise formed that the guaranty pursuant to the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the RFP Guarantor in the jurisdiction in which it has been incorporated or otherwise formed. Exhibit 4 to the Uniform SMA includes a sample of a sufficient legal opinion.
- (2) **one (1) executed original** sworn certificate of the corporate secretary (or similar officer) of such RFP Guarantor that the person executing the guaranty pursuant to the Uniform SMA on behalf of the RFP Guarantor has the authority to execute the guaranty pursuant to the Uniform SMA and that the governing board of such RFP Guarantor has approved the execution of the guaranty pursuant to the Uniform SMA;
- (3) **one (1) executed original** sworn certificate of the corporate secretary (or similar officer) of such RFP Guarantor that the RFP Guarantor has been authorized by its governing board to enter into agreements of the same type as the guaranty pursuant to the Uniform SMA.

If the RFP Bidder does not submit these documents, or if these documents are not sufficient, the Foreign Entity as RFP Guarantor is not granted unsecured credit under the terms of the Uniform SMA. In that case, the RFP Bidder may not rely on the financial standing of the RFP Guarantor. The Independent Evaluator may request additional financial or credit information regarding the RFP Bidder.

Third Item: Required Documents for RFP Bidders with a Foreign Entity as Principal

AN RFP BIDDER SUBMITTING A PROPOSAL UNDER AN AGENCY AGREEMENT WITH A FOREIGN ENTITY AS PRINCIPAL MUST PROVIDE THE ADDITIONAL DOCUMENTS LISTED BELOW TO THE ONLINE PART 2 FORM OR BY EMAIL TO PECOPROUREMENT@NERA.COM.

- (1) **one (1) executed original** legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the Principal is incorporated or otherwise formed that the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the Principal in the jurisdiction in which it has been incorporated or otherwise formed. Exhibit 4 to the Uniform SMA includes a sample of a sufficient legal opinion.
- (2) **one (1) executed original** sworn certificate of the corporate secretary (or similar officer) of such Principal that the Principal has been authorized by its governing board to enter into agreements of the same type as the Uniform SMA.

PECO will determine whether such documents are sufficient. **If the documents are not sufficient, the RFP Bidder may not be eligible to continue its participation in the RFP.**

SECTION B. PREVIOUSLY ELIGIBLE RFP BIDDERS (THAT HAVE SUCCESSFULLY COMPLETED THE PART 2 PROPOSAL IN A PRIOR SOLICITATION)

PLEASE COMPLETE ONLY THE ITEM THAT APPLIES TO YOU:

Circumstances	Item to Complete
The RFP Bidder is a Foreign Entity	First Item
The RFP Bidder relies on the financial standing of a Foreign Entity as RFP Guarantor	Second Item
The RFP Bidder is submitting a Proposal under an Agency Agreement with a Foreign Entity as Principal	Third Item

First Item: Required Documents for Foreign RFP Bidders

For each document required of Foreign RFP Bidders, a Foreign RFP Bidder that is previously eligible must either: (i) confirm that the document and submitted in a previous solicitation under DSP VI remains valid; or: (ii) provide the document by upload to the online Part 2 form or email to pecoprocurement@nera.com if it has changed.

PLEASE USE THE TABLE BELOW TO SELECT, FOR EACH DOCUMENT, WHETHER (I) THE DOCUMENT REMAINS VALID OR (II) THE DOCUMENT HAS CHANGED AND IS BEING RESUBMITTED. By clicking the box that a document remains valid, you are confirming that such document continues to meet the requirements of Section V.5 of the RFP Rules.

REQUIRED DOCUMENTS	Remains valid (not submitted)	Has changed (submitted this solicitation)
one (1) executed original legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the Foreign RFP Bidder is incorporated or otherwise formed that the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the Foreign RFP Bidder in	<input type="checkbox"/>	<input type="checkbox"/>

<p>the jurisdiction in which it has been incorporated or otherwise formed. Exhibit 4 to the Uniform SMA includes a sample of a sufficient legal opinion.</p>		
<p>one (1) executed original sworn certificate of the corporate secretary (or similar officer) of such Foreign RFP Bidder that the person executing the Uniform SMA on behalf of the Foreign RFP Bidder has the authority to execute the Uniform SMA and that the governing board of such Foreign RFP Bidder has approved the execution of the Uniform SMA.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>one (1) executed original sworn certificate of the corporate secretary (or similar officer) of such Foreign RFP Bidder that the Foreign RFP Bidder has been authorized by its governing board to enter into agreements of the same type as the Uniform SMA.</p>	<input type="checkbox"/>	<input type="checkbox"/>

PECO will determine whether such documents are sufficient. If the documents are not sufficient, the RFP Bidder may not be eligible to continue its participation in the RFP.

Second Item: Required Documents for RFP Bidders with a Foreign Entity as RFP Guarantor

For each document required of an RFP Bidder relying on the financial standing of a Foreign Entity as RFP Guarantor, an RFP Bidder that is previously eligible must either: (i) confirm that the document and submitted in a previous solicitation under DSP VI remains valid; or (ii) provide the document by upload to the online Part 2 form or email to pecoprocedurement@nera.com if it has changed.

PLEASE USE THE TABLE BELOW TO SELECT, FOR EACH DOCUMENT, WHETHER (I) THE DOCUMENT REMAINS VALID OR (II) THE DOCUMENT HAS CHANGED AND IS BEING RESUBMITTED. By clicking the box that a document remains valid, you are confirming that such document continues to meet the requirements of Section V.5 of the RFP Rules.

REQUIRED DOCUMENTS	Remains valid (not submitted)	Has changed (submitted this solicitation)
<p>one (1) executed original legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the RFP Guarantor is incorporated or otherwise formed that the guaranty pursuant to the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the RFP Guarantor in the jurisdiction in which it has been</p>	<input type="checkbox"/>	<input type="checkbox"/>

Appendix 8 to the RFP Rules

<p>incorporated or otherwise formed. Exhibit 4 to the Uniform SMA includes a sample of a sufficient legal opinion.</p>		
<p>one (1) executed original sworn certificate of the corporate secretary (or similar officer) of such RFP Guarantor that the person executing the guaranty pursuant to the Uniform SMA on behalf of the RFP Guarantor has the authority to execute the guaranty pursuant to the Uniform SMA and that the governing board of such RFP Guarantor has approved the execution of the guaranty pursuant to the Uniform SMA</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>one (1) executed original sworn certificate of the corporate secretary (or similar officer) of such RFP Guarantor that the RFP Guarantor has been authorized by its governing board to enter into agreements of the same type as the guaranty pursuant to the Uniform SMA.</p>	<input type="checkbox"/>	<input type="checkbox"/>

If these documents are not sufficient, the Foreign Entity as RFP Guarantor is not granted unsecured credit under the terms of the Uniform SMA. In that case, the RFP Bidder may not rely on the financial standing of the RFP Guarantor. The Independent Evaluator may request additional financial or credit information regarding the RFP Bidder.

Third Item: Required Documents for RFP Bidders with a Foreign Entity as Principal

For each document required of an RFP Bidder submitting a Proposal under an Agency Agreement with a Principal that is a foreign entity, an RFP Bidder that is previously eligible must either: (i) confirm that the document and submitted in a previous solicitation under DSP VI remains valid; or: (ii) provide the document by upload to the online Part 2 form or email to pecoprocurement@nera.com if it has changed.

PLEASE USE THE TABLE BELOW TO SELECT, FOR EACH DOCUMENT, WHETHER (I) THE DOCUMENT REMAINS VALID OR (II) THE DOCUMENT HAS CHANGED AND IS BEING RESUBMITTED. By clicking the box that a document remains valid, you are confirming that such document continues to meet the requirements of Section V.5 of the RFP Rules.

<p>REQUIRED DOCUMENTS</p>	<p>Remains valid (not submitted)</p>	<p>Has changed (submitted this solicitation)</p>
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Appendix 8 to the RFP Rules

one (1) executed original legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the Principal is incorporated or otherwise formed that the Uniform SMA is, or upon the completion of execution formalities will become, the binding obligation of the Principal in the jurisdiction in which it has been incorporated or otherwise formed. Exhibit 4 to the Uniform SMA includes a sample of a sufficient legal opinion.

one (1) executed original sworn certificate of the corporate secretary (or similar officer) of such Principal that the Principal has been authorized by its governing board to enter into agreements of the same type as the Uniform SMA.

PECO will determine whether such documents are sufficient. If the documents are not sufficient, the RFP Bidder may not be eligible to continue its participation in the RFP.

No

The requirements of this section do not apply to you.

Appendix 8 to the RFP Rules

5. Bids

Reminder: Each RFP Bidder submits its Bids electronically, by transferring its Bid Form through a secure file transfer system. The Independent Evaluator provides electronically to each RFP Bidder qualified pursuant to a successful Part 1 Proposal the Bid Form as well as a set of instructions. These instructions guide the RFP Bidder for completion of the Bid Form, for optional encryption of the Bid Form, for submission of the completed Bid Form to the Independent Evaluator via secure file transfer interface, as well as instructions for backup methods for the submission of Bids in case of technical difficulties with the electronic transfer.

Important! The Independent Evaluator provides electronically to each RFP Bidder that qualifies pursuant to a successful Part 1 Proposal information required for the submission of Bids, including a username, password, and security code. This information is unique to each RFP Bidder and allows the Independent Evaluator to authenticate the Bids received. The RFP Bidder must acknowledge that the RFP Bidder has received intact the information necessary to submit Bids and that no one but authorized personnel of the RFP Bidder has had access to this information.

Please provide this confirmation below.

I confirm receipt of the Bid Form, instructions, and information necessary to submit Bids. No one but authorized personnel of the RFP Bidder has had access to this information.

I request that such information and documents be re-issued.

Appendix 8 to the RFP Rules

6. Justification of Omissions Section

If you are unable to provide all documents or information with this Part 2 Form, please justify fully any omissions in the space provided below.

If you are providing additional documents, such as providing the P1 Certifications Insert if the individual who is serving as Officer of the RFP Bidder has changed, please use the spaces below to upload these documents.

	<i>File upload</i>
	<i>File upload</i>
	<i>File upload</i>

Appendix 9 - Standard Pre-Bid Letter of Credit

[On Issuing Bank's Letterhead]

IRREVOCABLE STANDBY LETTER OF CREDIT

_____ (“Date of Issuance”)

Letter of Credit No. _____

Beneficiary:

PECO Energy Company (“PECO”)
c/o NERA Economic Consulting (“NERA”)
Independent Evaluator
PECO Default Service Program
PECOProcurement@nera.com

Applicant:

[Name of Applicant]

[Address]

1. We, _____ (the “Issuing Bank”), hereby establish this Irrevocable Standby Letter of Credit (this “Letter of Credit”) in your favor in the amount of USD \$_____, effective immediately and available to you at sight upon demand at our counters at _____ [designate Issuing Bank’s location for presentments] and expiring at 5:00 PM (New York, NY time¹) on _____ [insert date no earlier than March 26, 2025] (the “Expiration Date”), unless terminated earlier in accordance with the provisions of Paragraph 9 hereof.
2. This Letter of Credit is issued at the request and for the account of _____ (including its successors and assigns, the “Bidder”). This Letter of Credit may be drawn by presenting the documents required by Paragraph 3 hereof, including your certificate stating that:
 - a) “the Bidder has made a material omission or misrepresentation in the Part 1 Proposal or the Part 2 Proposal submitted in connection with this solicitation”; or
 - b) “the Bidder has disclosed information relating to its Proposal publicly or to any other party before the PUC has rendered its decision on the results of the solicitation”; or
 - c) “the Bidder has one or more Bids approved by the PUC and the Bidder has failed to execute the Uniform SMA and its Exhibits or has failed to meet the creditworthiness requirements within the timeframe required”.
3. We hereby irrevocably authorize you to draw on us, in accordance with the terms and conditions hereof, up to the amount available under this Letter of Credit from time to time, subject to reduction as provided in Paragraph 8. A partial or full drawing hereunder may be presented by you on any

¹ If the issuer of the Letter of Credit is located in an area that is not in the Eastern Time zone, this time and all other times in this Letter of Credit, and the definition of a Business Day should be adjusted accordingly, here and in Paragraphs 5 and 9.

Appendix 9 to RFP Rules

Business Day on or prior to the Expiration Date by delivering or transmitting to the Issuing Bank at _____, (a) Annex 1 hereto, appropriately completed and duly signed by an Authorized Officer of PECO, which is your notice, and (b) Annex 2 hereto, appropriately completed and duly signed by an Authorized Officer of PECO, which is your draft.

4. Drafts, document(s) and other communications hereunder may be presented or delivered to us by facsimile transmission or electronic means. Presentation of documents to effect a draw by facsimile must be made to the following facsimile number(s): _____, and confirmed by telephone to us at the following number(s): _____. Presentation of documents to effect a draw by electronic means must be made by your email address PECOWB&C@peco-energy.com or pecoprocurement@nera.com to the following email address: _____, and confirmed by telephone to us at the following number(s): _____. In the event of a presentation via facsimile transmission or via electronic means, no mail confirmation is necessary and the facsimile transmission or the electronic communication will constitute the operative drawing documents.
5. We will honor a drawing hereunder made in compliance with the terms and provisions of this Letter of Credit by transferring in immediately available funds the amount specified in your draft (or so much thereof as is available hereunder) delivered or transmitted to us in connection with such drawing to the account designated as provided below, by 3:00 PM (New York, NY time) on the date of such drawing, if delivery or transmission of the requisite documents pursuant to Paragraph 3 hereof is made prior to 11:00 AM (New York, NY time) on a Business Day, but at the opening of business on the first Business Day next succeeding the date of such drawing if delivery or transmission of the requisite documents pursuant to Paragraph 3 hereof is made on or after 11:00 AM (New York, NY time) on any Business Day.
6. If a demand for payment made by you hereunder does not, in any instance, conform to the terms and conditions of this Letter of Credit, we shall give you notice not later than the time provided in Paragraph 5 above for honor of a drawing presented to us, that the demand for payment was not effected in accordance with the terms and conditions of this Letter of Credit, stating the reasons why the demand for payment was not so effected, and that we will upon your instructions hold any documents at your disposal or return the same to you. Upon being notified that the demand for payment was not effected in conformity with this Letter of Credit, you may attempt to correct any such non-conforming demand for payment to the extent that you are entitled to do so, provided, however, in such event a conforming demand for payment must be timely made in accordance with the terms of this Letter of Credit.
7. Unless otherwise hereafter designated in writing to us by an Authorized Officer of PECO, all payments made by us under this Letter of Credit shall be transmitted by wire transfer to PECO pursuant to the following instructions:

PECO Energy Company
 Account No.: _____
 Bank: _____
 Bank's Address: _____

 ABA Routing No.: _____
 Contact: _____
 Email Address: _____

8. Partial drawings are permitted hereunder and multiple drawings are permitted hereunder. The amount available for drawing by you under this Letter of Credit shall be automatically reduced by the amount of any drawings paid through us referencing this Letter of Credit. Presentation of

demands for drawings in amounts that exceed the amount available to be drawn hereunder shall not be deemed a failure to comply with the requirements of Paragraph 3 hereof, provided that the amounts payable on any such demand shall thus be limited to the amount then available to be drawn under this Letter of Credit.

9. This Letter of Credit shall terminate on the earliest of the date (a) you have made drawings which exhaust the amounts available to be drawn under this Letter of Credit, (b) we receive from you a Certificate of Cancellation in the form of Annex 3, or (c) 5:00 PM (New York, NY time) on the Expiration Date.
10. This Letter of Credit is not transferable, and except as otherwise expressly stated herein, is subject to the Uniform Customs and Practice for Documentary Credits – 2007 revision, ICC Publication No. 600, or any successor publication thereto (the “UCP”). All banking charges are for the account of the Bidder. This Letter of Credit shall, as to matters not governed by the UCP, be governed and construed in accordance with New York law, without regard to principles of conflicts of law.
11. Article 36 of the UCP as it applies to this Letter of Credit is hereby modified to provide as follows:

If on the last Business Day for presentation the place for presentation stated in this Letter of Credit is for any reason closed, then the last day for presentation is automatically extended to the day occurring thirty calendar days after the place for presentation re-opens for business.

Article 36 of the UCP as it applies to this Letter of Credit is hereby further modified by providing that any alternate place for presentation we may designate pursuant to this rule must be in the United States.

12. As used herein:

“Authorized Officer” shall mean President, Treasurer, any Vice President, any Senior Vice President, any Managing Director, any Director, any Associate Director, or any Assistant Treasurer.

“Bids” shall mean the price offers submitted by the Bidder in response to PECO Energy Company’s Default Service Program RFP.

“Bid Date” shall mean the day on which the Bidder may submit Bids in the solicitation.

“Bidder” shall mean an entity that has successfully completed the Part 1 Proposal, and that submits the Part 2 Proposal.

“Business Day” shall mean any day on which commercial banks are not authorized or required to close in New York, NY and any day on which payments can be effected on the Fedwire system.

“Uniform SMA” shall mean the PECO Energy Company Pennsylvania Default Service Supplier Master Agreement by which PECO can contract with winners from this solicitation.

“Independent Evaluator” shall mean the administrator of PECO Energy Company’s Default Service Program RFP.

“PUC” shall mean the Pennsylvania Utility Commission.

“Proposal” shall mean a response by the Bidder to PECO Energy Company’s Default Service Program RFP in a solicitation, including the Part 1 Proposal and the Part 2 Proposal.

“Transaction Confirmation” shall mean an agreement pursuant to the Uniform SMA that documents certain terms of a transaction between the Bidder and PECO Energy Company.

13. This Letter of Credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, changed, amplified or limited by reference to any document, instrument or agreement referred to herein, except for Annexes 1 through 3 hereto and the notices referred to herein; and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except as set forth above. Except as otherwise expressly stated herein, this Letter of Credit may not be amended or modified by us without the consent of an Authorized Officer of PECO or an Authorized Officer of the Independent Evaluator on behalf of PECO.
14. We, the Issuing Bank, certify that as of the Date of Issuance our senior unsecured debt is rated “A-” or better by S&P Global Ratings, or “A3” or higher from Moody’s Investors Service.
15. This original Letter of Credit has been sent to the Independent Evaluator via electronic means only at PECOProcurement@nera.com (as per Bidder’s instructions, the Independent Evaluator holds the Letter of Credit for the benefit of PECO). We confirm that the electronic PDF file of the Letter of Credit (together with subsequent amendments, if any) serves as the operative instrument. PECO Energy Company may use the electronic PDF file of the Letter of Credit (together with subsequent amendments, if any) as it would a hardcopy original. The aggregate amount paid to PECO during the validity of this Letter of Credit will not exceed the amount of this Letter of Credit. Any demands or communications in the form of the attached Annexes or other communications directed to us under this Letter of Credit must be signed by an Authorized Officer of PECO. Acceptance or rejection of any amendments to this Letter of Credit must be signed by an Authorized Officer of PECO or an Authorized Officer of the Independent Evaluator on behalf of PECO.

Very truly yours,
[Issuing Bank]

Signature:_____

Name:

Title:

Date:

Annex 1 to Letter of Credit

DRAWING UNDER LETTER OF CREDIT NO. _____

_____, 20__

To: [Issuing Bank]
[Address]

Attention: Standby Letter of Credit Unit

Ladies and Gentlemen:

The undersigned is making a drawing under your Letter of Credit No. _____ (the "Letter of Credit") in the amount specified below and hereby certifies to you as follows:

1. Capitalized terms used herein that are not defined herein shall have the meanings ascribed thereto in the Letter of Credit.
2. The undersigned is making a drawing under the Letter of Credit. The amount to be received by PECO is (USD) \$_____.
3. Pursuant to Paragraph 2 of the Letter of Credit No. _____, dated _____, the undersigned is entitled to make a drawing under the Letter of Credit in as much as the Bidder has _____ [state a reason from conditions (a) – (c) of Paragraph 2 of the Letter of Credit].
4. The undersigned acknowledges that, upon your honoring the drawing herein requested, the amount of the Letter of Credit available for drawing shall be automatically decreased by the amount of this drawing honored by you.

Very truly yours,

PECO Energy Company
By _____
Name:
Title:
Date:

cc: _____ [Bidder]

Annex 2 to Letter of Credit

SIGHT DRAFT

Amount: (USD) \$ _____

Date: _____, 20__

At sight, pay to the order of PECO Energy Company the sum of _____ U.S. Dollars.

Drawn under Irrevocable Letter of Credit No. _____ of _____
[identify Issuing Bank] dated _____, 20__.

To: _____ [Issuing Bank]
_____ [Address]

PECO Energy Company

By _____
Name:
Title:
Date:

Annex 3 to Letter of Credit

CERTIFICATE OF CANCELLATION

_____, 20__

To: [Issuing Bank]
[Address]

Attention: Standby Letter of Credit Unit/Your Letter of Credit No. _____

Ladies and Gentlemen:

The undersigned hereby certifies to you that the above-referenced Letter of Credit may be cancelled without further payment.

PECO Energy Company

By _____
Name:
Title:
Date:

cc: _____ [Bidder]

**PECO Energy Company
Default Service Program RFP
March 2025 Solicitation**

**General Information
Bid Date: Tuesday, March 11, 2025**

Template Information:

In addition to this 'General Information' sheet, this Bid Form contains the 'Bids' sheet.
The 'Bids' sheet is for entering Bids for all products.

Bidder Information:

Company Name:	
Contact Name:	
Phone Number:	

Bidder Information is incomplete. All fields are mandatory.

Class & Product Information:

A "Class" is a grouping of PECO's retail customers. PECO will procure full requirements service for the Residential ("RES") and Small Commercial ("SC") Classes on a fixed-price basis. PECO will procure full requirements service with energy priced to the PJM day-ahead spot market for the Consolidated Large Commercial and Industrial ("CCI") Class.

Class (Product)	Number of tranches available	
	Supply Period	Available Tranches
Residential (RES-12-Jun25)	June 2025 - May 2026	12
Residential (RES-24-Jun25)	June 2025 - May 2027	11
Small Commercial (SC-12-Jun25)	June 2025 - May 2026	6
Small Commercial (SC-24-Jun25)	June 2025 - May 2027	3
Consolidated Large Commercial and Industrial (CCI-12-Jun25)	June 2025 - May 2026	8

The Load Caps for the RES and SC Classes are set so that the Default Service customers of that Class have no more than a 50% exposure to any one Default Supplier at any given time. The Load Cap for the CCI Class is set so that the Default Service customers of that Class have no more than a 75% exposure to any one Default Supplier at any given time. The Load Caps apply to the list of products that contribute to Default Supply for a Class at a given point in time. The Load Cap for an RFP Bidder that is a Default Supplier will take into account tranches won in previous solicitations under DSP V and DSP VI.

Maximum Number of Tranches Bid in this Solicitation - RES Class.

Products	Available Tranches	Load Caps Apply to an RFP Bidder When an RFP Bidder Has:	Load Caps for RES Class
RES-12-Jun25	12	Won more than 19 RES-24-Dec23, RES-24-Jun24, RES-12-Dec24, and RES-24-Dec24 tranches under DSP V	31 less RES-24-Dec23, RES-24-Jun24, RES-12-Dec24, and RES-24-Dec24 tranches won under DSP V
RES-24-Jun25	11	Won more than 20 RES-24-Dec23, RES-24-Jun24, RES-12-Dec24, and RES-24-Dec24 tranches under DSP V	

Maximum Number of Tranches Bid in this Solicitation - SC Class.

Products	Available Tranches	Load Caps Apply to an RFP Bidder When an RFP Bidder Has:	Load Cap
SC-12-Jun25	6	Won more than 6 tranches of SC-24-Dec23, SC-24-Jun24, SC-12-Dec24, and SC-24-Dec24 under DSP V	12 less SC-24-Dec23, SC-24-Jun24, SC-12-Dec24, and SC-24-Dec24 tranches won under DSP V
SC-24-Jun25	3	Won more than 9 tranches of SC-24-Dec23, SC-24-Jun24, SC-12-Dec24, and SC-24-Dec24 under DSP V	
CCI-12-Jun25	8	Load Caps apply always	6

Complete and Sign Certification:

I, _____, certify under penalty of perjury that I am authorized to submit these Bids.

By affixing my electronic signature below I understand and agree with the following: Any Bid on any product submitted in response to this RFP for this solicitation is binding until six (6) business days after the Bid Date and constitutes a binding and irrevocable offer to provide service under the terms of the PECO Energy Company Pennsylvania Default Service Supplier Master Agreement at the price specified in the Bid.

Company Name

Signature

Please enter your Name and Electronic Signature.

**PECO Energy Company
Default Service Program RFP
March 2025 Solicitation**

Bids

Bid Date: Tuesday, March 11, 2025

Bids

- A 'Bid' is a price in \$/MWh for one tranche of a given product.
- A 'Bid' is rounded to the nearest cent.
- An RFP Bidder may submit different Bids for different tranches of a given product.
- Bids should be entered from top to bottom, without skipping rows.

Section 1. Total Number of Tranches Bid

Total Tranches Across all Products

0

Section 2. Bids for each Tranche of each Product

Bids (All Bids are in \$/MWh)

Residential RES-12-Jun25 June 2025 - May 2026	Residential RES-24-Jun25 June 2025 - May 2027	Small Commercial SC-12-Jun25 June 2025 - May 2026	Small Commercial SC-24-Jun25 June 2025 - May 2027	Consolidated Large Commercial and Industrial CCI-12-Jun25 June 2025 - May 2026
Bid (\$/MWh)	Bid (\$/MWh)	Bid (\$/MWh)	Bid (\$/MWh)	Bid (\$/MWh)
1	1	1	1	1
2	2	2	2	2
3	3	3	3	3
4	4	4	4	4
5	5	5	5	5
6	6	6	6	6
7	7			
8	8			
9	9			
10	10			
11	11			
12				

Number of Tranches Bid

Residential June 2025 - May 2026	Residential June 2025 - May 2027	Small Commercial June 2025 - May 2026	Small Commercial June 2025 - May 2027	Consolidated Large Commercial and Industrial June 2025 - May 2026
0	0	0	0	0

Bidder-Specific Load Caps

12	11	6	3
23		9	

Load Cap Status

OK	OK	OK	OK
OK		OK	

Your bidder-specific load caps for the RES and SC Classes are set so that you serve no more than 50% of the load for either Class at any given time taking into account your tranches won in DSP V and DSP VI.

Appendix 11 - Future Solicitations

Tentative Schedule for Future Solicitations

The tentative schedule for future solicitations are provided in this Appendix 11. These schedules may be modified in accordance with Paragraphs I.1.8 and II.2.3 of the RFP Rules.

Activity	Date
September 2025 Solicitation	
Deadline to request consideration of an alternate form of guaranty	Tuesday, August 12, 2025
Bidder Information Webcast	Friday, August 22, 2025
Decision on alternate guaranty forms (if any)	Friday, August 29, 2025
Part 1 Window Opens	Wednesday, September 3, 2025
Part 1 Date (Part 1 Window Closes)	Tuesday, September 9, 2025
Part 1 Notification Date	Thursday, September 11, 2025
Approved modifications to Form of Guaranty posted	Friday, September 12, 2025
Part 2 Window Opens	Friday, September 12, 2025
Bid Submission training	Wednesday, September 17, 2025
Part 2 Date (Part 2 Window Closes)	Thursday, September 18, 2025
Part 2 Notification Date	Monday, September 22, 2025
Bid Date (Bids are Due)	Tuesday, September 23, 2025
IE provides its report to the PaPUC	Wednesday, September 24, 2025
PaPUC Decision (close of business)	Thursday, September 25, 2025
<u>If Bids are approved by the PaPUC:</u>	
PECO sends partially executed Uniform SMA and Transaction Confirmation(s) by overnight delivery service	By close of the fourth business day after the Bid Date
Uniform SMA and Transaction Confirmation(s) fully executed	By 2PM of the fifth business day after the Bid Date
Default Service Supplier meets the creditworthiness requirements	By close of fifth business day after the Bid Date

Activity	Date
March 2026 Solicitation	
Deadline to request consideration of an alternate form of guaranty	Tuesday, January 27, 2026
Bidder Information Webcast	Friday, February 6, 2026
Decision on alternate guaranty forms (if any)	Friday, February 13, 2026
Part 1 Window Opens	Wednesday, February 18, 2026
Part 1 Date (Part 1 Window Closes)	Tuesday, February 24, 2026
Part 1 Notification Date	Thursday, February 26, 2026
Approved modifications to Form of Guaranty posted	Friday, February 27, 2026
Part 2 Window Opens	Friday, February 27, 2026
Bid Submission training	Wednesday, March 4, 2026
Part 2 Date (Part 2 Window Closes)	Thursday, March 5, 2026
Part 2 Notification Date	Monday, March 9, 2026
Bid Date (Bids are Due)	Tuesday, March 10, 2026
IE provides its report to the PaPUC	Wednesday, March 11, 2026
PaPUC Decision (close of business)	Thursday, March 12, 2026

If Bids are approved by the PaPUC:

PECO sends partially executed Uniform SMA and Transaction Confirmation(s) by overnight delivery service	By close of the fourth business day after the Bid Date
Uniform SMA and Transaction Confirmation(s) fully executed	By 2PM of the fifth business day after the Bid Date
Default Service Supplier meets the creditworthiness requirements	By close of fifth business day after the Bid Date

Activity	Date
September 2026 Solicitation	
Deadline to request consideration of an alternate form of guaranty	Tuesday, August 18, 2026
Bidder Information Webcast	Friday, August 28, 2026
Decision on alternate guaranty forms (if any)	Friday, September 4, 2026
Part 1 Window Opens	Wednesday, September 9, 2026
Part 1 Date (Part 1 Window Closes)	Tuesday, September 15, 2026
Part 1 Notification Date	Thursday, September 17, 2026
Approved modifications to Form of Guaranty posted	Friday, September 18, 2026
Part 2 Window Opens	Friday, September 18, 2026
Bid Submission training	Wednesday, September 23, 2026
Part 2 Date (Part 2 Window Closes)	Thursday, September 24, 2026
Part 2 Notification Date	Monday, September 28, 2026
Bid Date (Bids are Due)	Tuesday, September 29, 2026
IE provides its report to the PaPUC	Wednesday, September 30, 2026
PaPUC Decision (close of business)	Thursday, October 1, 2026
 <u>If Bids are approved by the PaPUC:</u>	
PECO sends partially executed Uniform SMA and Transaction Confirmation(s) by overnight delivery service	By close of the fourth business day after the Bid Date
Uniform SMA and Transaction Confirmation(s) fully executed	By 2PM of the fifth business day after the Bid Date
Default Service Supplier meets the creditworthiness requirements	By close of fifth business day after the Bid Date

Activity	Date
March 2027 Solicitation	
Deadline to request consideration of an alternate form of guaranty	Tuesday, January 26, 2027
Bidder Information Webcast	Friday, February 5, 2027
Decision on alternate guaranty forms (if any)	Friday, February 12, 2027
Part 1 Window Opens	Wednesday, February 17, 2027
Part 1 Date (Part 1 Window Closes)	Tuesday, February 23, 2027
Part 1 Notification Date	Thursday, February 25, 2027
Approved modifications to Form of Guaranty posted	Friday, February 26, 2027
Part 2 Window Opens	Friday, February 26, 2027
Bid Submission training	Wednesday, March 3, 2027
Part 2 Date (Part 2 Window Closes)	Thursday, March 4, 2027
Part 2 Notification Date	Monday, March 8, 2027
Bid Date (Bids are Due)	Tuesday, March 9, 2027
IE provides its report to the PaPUC	Wednesday, March 10, 2027
PaPUC Decision (close of business)	Thursday, March 11, 2027
<u>If Bids are approved by the PaPUC:</u>	
PECO sends partially executed Uniform SMA and Transaction Confirmation(s) by overnight delivery service	By close of the fourth business day after the Bid Date
Uniform SMA and Transaction Confirmation(s) fully executed	By 2PM of the fifth business day after the Bid Date
Default Service Supplier meets the creditworthiness requirements	By close of fifth business day after the Bid Date

Activity	Date
September 2027 Solicitation	
Deadline to request consideration of an alternate form of guaranty	Tuesday, August 17, 2027
Bidder Information Webcast	Friday, August 27, 2027
Decision on alternate guaranty forms (if any)	Friday, September 3, 2027
Part 1 Window Opens	Wednesday, September 8, 2027
Part 1 Date (Part 1 Window Closes)	Tuesday, September 14, 2027
Part 1 Notification Date	Thursday, September 16, 2027
Approved modifications to Form of Guaranty posted	Friday, September 17, 2027
Part 2 Window Opens	Friday, September 17, 2027
Bid Submission training	Wednesday, September 22, 2027
Part 2 Date (Part 2 Window Closes)	Thursday, September 23, 2027
Part 2 Notification Date	Monday, September 27, 2027
Bid Date (Bids are Due)	Tuesday, September 28, 2027
IE provides its report to the PaPUC	Wednesday, September 29, 2027
PaPUC Decision (close of business)	Thursday, September 30, 2027
 <u>If Bids are approved by the PaPUC:</u>	
PECO sends partially executed Uniform SMA and Transaction Confirmation(s) by overnight delivery service	By close of the fourth business day after the Bid Date
Uniform SMA and Transaction Confirmation(s) fully executed	By 2PM of the fifth business day after the Bid Date
Default Service Supplier meets the creditworthiness requirements	By close of fifth business day after the Bid Date

Activity	Date
March 2028 Solicitation	
Deadline to request consideration of an alternate form of guaranty	Tuesday, February 1, 2028
Bidder Information Webcast	Friday, February 11, 2028
Decision on alternate guaranty forms (if any)	Friday, February 18, 2028
Part 1 Window Opens	Wednesday, February 23, 2028
Part 1 Date (Part 1 Window Closes)	Tuesday, February 29, 2028
Part 1 Notification Date	Thursday, March 2, 2028
Approved modifications to Form of Guaranty posted	Friday, March 3, 2028
Part 2 Window Opens	Friday, March 3, 2028
Bid Submission training	Wednesday, March 8, 2028
Part 2 Date (Part 2 Window Closes)	Thursday, March 9, 2028
Part 2 Notification Date	Monday, March 13, 2028
Bid Date (Bids are Due)	Tuesday, March 14, 2028
IE provides its report to the PaPUC	Wednesday, March 15, 2028
PaPUC Decision (close of business)	Thursday, March 16, 2028
 <u>If Bids are approved by the PaPUC:</u>	
PECO sends partially executed Uniform SMA and Transaction Confirmation(s) by overnight delivery service	By close of the fourth business day after the Bid Date
Uniform SMA and Transaction Confirmation(s) fully executed	By 2PM of the fifth business day after the Bid Date
Default Service Supplier meets the creditworthiness requirements	By close of fifth business day after the Bid Date

Activity	Date
September 2028 Solicitation	
Deadline to request consideration of an alternate form of guaranty	Tuesday, August 15, 2028
Bidder Information Webcast	Friday, August 25, 2028
Decision on alternate guaranty forms (if any)	Friday, September 1, 2028
Part 1 Window Opens	Wednesday, September 6, 2028
Part 1 Date (Part 1 Window Closes)	Tuesday, September 12, 2028
Part 1 Notification Date	Thursday, September 14, 2028
Approved modifications to Form of Guaranty posted	Friday, September 15, 2028
Part 2 Window Opens	Friday, September 15, 2028
Bid Submission training	Wednesday, September 20, 2028
Part 2 Date (Part 2 Window Closes)	Thursday, September 21, 2028
Part 2 Notification Date	Monday, September 25, 2028
Bid Date (Bids are Due)	Tuesday, September 26, 2028
IE provides its report to the PaPUC	Wednesday, September 27, 2028
PaPUC Decision (close of business)	Thursday, September 28, 2028

If Bids are approved by the PaPUC:

PECO sends partially executed Uniform SMA and Transaction Confirmation(s) by overnight delivery service

By close of the fourth business day after the Bid Date

Uniform SMA and Transaction Confirmation(s) fully executed

By 2PM of the fifth business day after the Bid Date

Default Service Supplier meets the creditworthiness requirements

By close of fifth business day after the Bid Date

Appendix 12 – Confidentiality Statement

I, _____ **{name of person}**, am employed by _____ **{name of employer}**.

I will be considering, reviewing, and evaluating responses from RFP Bidders or I will have access to information submitted by RFP Bidders that is not publicly released. In this capacity, I sign below and hereby acknowledge and understand the Confidentiality Provisions of the RFP Rules and, consistent with those rules, agree to take all reasonable precautions to ensure that all data and information supplied by all RFP Bidders are maintained in confidence and not disclosed to individuals other than those that have signed this Confidentiality Statement. My signature is witnessed by the Independent Evaluator.

A list of signatories of this Confidentiality Statement is maintained by the Independent Evaluator and available to all signatories and to RFP Bidders upon request. I undertake to consult this list of signatories before communicating RFP information to another person.

If any data or information supplied by an RFP Bidder is disclosed publicly by that RFP Bidder itself or by the Pennsylvania Public Utility Commission, such information will cease to be Confidential.

Signature

Witness Name

Title

Witness Signature

Date

Title

Date

Exhibit C
Revised RFP Protocol

RFP Protocol

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I. Introduction

This RFP Protocol describes the process of administering the Requests for Proposals (“RFP”) and specifies how the Independent Evaluator (“IE”) will communicate with bidders, with representatives of PECO Energy Company (“Company” or “PECO”), and with the Staff of the Pennsylvania Public Utility Commission (“Commission” or “PaPUC”). The RFP Protocol is focused on specific procedures that the IE and PECO will follow. The following topics will be covered:

- General Principles
- Confidentiality
- Website and Data Room
- Frequently Asked Questions
- Announcements & Communications to Bidders
- Communications to the Press and the Media
- Bidder Information Webcasts
- Guaranty Process
- Processing of Proposals
- Transmitting Confidential Information
- Bid Submission Training
- Market Report
- Bid Processing
- Post-Bid Procedures

II. General Principles

The main guiding principle of this RFP Protocol is that all bidders will be treated equally. This equality means that no bidder will be provided with information that is not available to all other bidders, and all bidders will be subject to the exact same rules and standards for participation. This not only ensures fairness of the process but it also fosters competition and so favors the best final prices possible. Bidders are more willing to participate in the RFP if they know that no other bidder will be granted an advantage over them.

Furthermore, information that is of a sensitive nature, such as information a bidder provides about itself during the Proposal process and information about individual bidders' bids, shall be considered confidential and will not be released to the public. As stated in the PaPUC's Policy Statement at §69.1807(8):

“[t]he public interest would be served by the adoption of uniform rules for the confidentiality of competitive solicitation information. Supplier participation, bid prices, and retail rates may be impacted by protecting certain information, including, the identity of winning and losing bidders, the number of bids submitted, bid prices, the allocation of load among winning bidders, and the like.”

PECO and the IE are committed to upholding these principles, and to that end:

- The IE and PECO will nominate particular individuals who will review RFP information. Each nominated individual signs a Confidentiality Statement. The individual may only discuss the RFP information to which it has access with other nominated individuals. Information will be provided to Staff at critical junctures.
- The IE will serve as the sole interface with bidders.
- The IE will set up a public RFP website to disseminate information and data about this RFP efficiently and to which all stakeholders will have access.

III. Confidentiality

This RFP Protocol describes the extent of the communication between the IE and PECO. Information not specifically designated in this protocol for communication between the IE and PECO shall not be communicated, and shall be treated as confidential. All PECO and NERA personnel involved in the administration of a solicitation will sign the Confidentiality Statement provided as Appendix 12 of the RFP, ensuring that all information submitted by prospective suppliers through this process will be treated as confidential. This RFP Protocol describes what information can be released, to whom and under what circumstances.

PECO and the IE will each designate specific individuals that will take part in the implementation of DSP VI.

- These individuals will sign the Confidentiality Statement in the form of Appendix 12 to the RFP Rules and will commit to strictly adhere to the RFP Protocol.
- The IE will maintain a master list of individuals who can have access to confidential information and each individual on that list can only discuss confidential information with another individual on that list.
- Each individual, when communicating RFP information, will consult this list of individuals as needed to ascertain that the recipient has signed the Confidentiality Statement.

PECO will have a supporting role during the implementation of each solicitation, consisting primarily of the following:

- Development of data that the IE then posts to the RFP website and updates as necessary;
- Response to bidder inquiries, particularly on data methodology and the PECO Energy Company - Pennsylvania Default Service Supplier Master Agreement “Uniform SMA”, after the IE has redacted the identity of the questioner;
- Review with the IE of financial information provided by bidders with their qualification package to determine the credit line that would prevail under the terms of the Uniform SMA;
- Review additional documents provided by bidders that are qualifying under an agency agreement, or as foreign entities, or relying on the financial standing of a foreign entity;
- Review with the IE of modifications to credit instruments proposed by bidders (once the IE has redacted the identity of the prospective supplier) to determine whether the modifications are non-material in nature;

- Review with the IE of alternate guaranty forms to determine whether the alternate guaranty form provides the same protection as the standard format of the guaranty under the Uniform SMA;
- Review with the IE of bid security (once the IE has redacted the identity of the bidder and the amount) to determine whether the bid security instruments follow the standard formats or only include approved changes;
- Review the Uniform SMA documents and the guaranty (if applicable) prepared for Default Suppliers.

In addition, and assuming the Commission approves the results of a solicitation, the IE will provide PECO with the information necessary to administer the winning contracts, namely the identity of the approved suppliers, the amount that they will supply of each product, and the supplier-specific price for each product (which is the average of the supplier's approved bids for that product).

In addition to the information needed to administer the contracts, PECO will have access to certain additional information to assist in assessing whether the products offered could be improved in future procurement plans and to assist in finalizing its contingency plans should the results of any solicitation be rejected by the Commission. The IE, at the conclusion of each solicitation, will provide PECO with a redacted version of the report it provides to the Commission. The redaction will ensure that PECO does not have access to information concerning losing bids of specific bidders. This redacted report is discussed in more detail in Section XV.C of this Protocol.

The Commission's regulations at §§54.186(c)(5) specifically provide as follows:

“The bids submitted by a supplier in response to a competitive bid solicitation process shall be treated as confidential pursuant to the confidentiality agreement approved by the Commission pursuant to §§ 54.185(D)(6). The DSP, the Commission, and a third party

involved in the administration, review or monitoring of the bid solicitation process shall be subject to this confidentiality provision.”

IV. Website and Data Room

A website dedicated specifically to the RFP is the most efficient way for the IE to disseminate information to bidders and other stakeholders. An RFP website (www.pecoprocedure.com) was developed during DSP I. The RFP website has been maintained since that time and will be maintained during DSP VI. The main pages of the RFP website will contain DSP VI information. Materials from prior Default Service Programs will be accessible through an “archives” section of the RFP website. The RFP website is public, and anyone can access the site at any time and find any information they require simply by searching the RFP website instead of calling or emailing the IE. No password or login information is required to view the RFP website.

The RFP website contains a section where any visitor may register by submitting information such as name, phone number and email address. Any user who submits an email address will be signed up to receive updates via email from the IE. A registrant who elected to receive email updates during previous Default Service Programs will be sent updates about DSP VI unless the registrant opts out, which the registrant can do at any time.

The RFP website allows stakeholders to download all key documents as soon as these become available. Such documents include the RFP Rules, the Uniform SMA, and the qualification materials that bidders will need to submit (e.g., Proposal forms and standard templates for pre-bid security). These documents for a given solicitation will continue to be posted well in advance of the qualification deadlines. The RFP website also includes a calendar providing the deadlines for each solicitation. A calendar for the current solicitation is also provided in Appendix 0 and Appendix 11 to the RFP Rules, and a general calendar applicable to all solicitations under the DSP is provided in Article II of the RFP Rules.

The RFP website includes a data room to assist bidders in assessing the RFP opportunity. This data room includes data that is useful for bidders in assessing the load associated with each product, such as historical load by class, switching statistics, etc. Data series are updated once a month.

In addition to allowing bidders to assess their ability to serve different products, the provision of data via the RFP website also has the effect of leveling the playing field for all bidders; without the provision of data, some bidders may have a better idea of the load associated with PECO's customers, and this would put bidders without such familiarity at a competitive disadvantage. Therefore, providing data on an equal basis to all bidders equalizes knowledge across prospective suppliers, and spurs competition in areas where some bidders might not otherwise have the ability to offer competitive bids. This is in keeping with the guiding principles of equality described at the beginning of this protocol.

It is expected that the same data series that were provided in prior Default Service Programs would continue to be provided during DSP VI. The IE did not receive any requests for additional data series that would improve bidders' ability to submit competitive bids. Confidential data can expand the information provided, but at the cost of setting up a password-protected section of the website or of providing data through mailings only to qualified parties, and at the possible cost of monitoring access to the data. At this point in time, PECO does not anticipate the need to provide data on such a confidential basis but will be able to do so if the need arises.

Data are currently updated on or about the 13th day of each month, on an ongoing basis, and PECO will continue this process without interruption between DSP V and DSP VI. Initial data series were first provided on March 27, 2009, including historical data dating back to January 2006. The procedure for the monthly updates of the data series on the RFP website is as follows:

1. PECO provides the updated data to the IE at least three days in advance of the scheduled monthly update;
2. The IE checks the data, ensuring that it is accurate and error-free, contacting PECO if necessary to resolve any issues;
3. The IE posts the updated data series to the RFP website.

The following data are available on the RFP website:

- hourly usage data;
- number of retail customers;
- capacity peak load contribution ("PLC");
- historical monthly retention figures;

- estimated loss factors;
- customer size distributions.

Data may be archived so that the more recent five years of data are more immediately available to stakeholders.

The material on the RFP website will be updated when new content becomes available that would be of use to stakeholders. The process for updating the RFP website and adding new material is as follows:

1. PECO and the IE together prepare the material for posting, ensuring that it is accurate and error-free;
2. The IE posts the new documents to the RFP website;
3. The IE sends an announcement (via email) to registrants informing them of the newly available content on the RFP website.

V. Frequently Asked Questions

The RFP website also contains a web-based form that stakeholders can use to submit questions, and a section where the IE would post questions received and the associated responses, in order to ensure equal distribution of information. This FAQ form is available for all stakeholders to ask questions and receive answers, although in times of high demand, priority may be given to answering questions from prospective suppliers. There are four major steps to the process.

In the first step, the question is received and the IE sends an acknowledgement to the questioner. The acknowledgement serves as a bidder's confirmation that its question has been received, and the acknowledgement will also inform the bidder of the expected turnaround time for an answer, expected to be two business days. In the second step, the IE drafts an answer to the question, consulting PECO for expertise as necessary. If PECO is consulted, the identity of the entity who has asked the question is not revealed, and any information in the question itself that could potentially identify the questioner is removed before sending to PECO.

Once an answer has been finalized by the IE (and PECO if necessary), the IE sends the final response directly to the questioner. If there is any delay in answering the question, such that the answer cannot be sent before the end of the expected turnaround period, the IE will send a delay notice to the questioner informing it of the delay and of a revised expected turnaround time for the answer. In the final step, questions and answers that were received during the previous week are posted to the Frequently Asked Questions (FAQ) section of the RFP website by the IE.

Posting the questions to the RFP website ensures an equal distribution of information among stakeholders – any information that is conveyed to one party via an answer to a question submitted through the RFP website is then conveyed to all stakeholders in a public manner through the FAQ section of the RFP website. This practice ensures that all bidders have the same information and can compete on an equal playing field. Any question received by a party other than the IE must be sent to the IE for processing – no party other than the IE will directly answer a question from a stakeholder. Because all questions received about the RFP must go through the IE, bidders know that all questions receive the same treatment; as specified in the guiding principles of this RFP Protocol, the IE is the sole interface with bidders.

The FAQ section of the RFP website is updated once per week, allowing for more frequent posts at times of high volume or less frequent posts due to holidays.

VI. Announcements & Communications to Bidders

As specified in Section IV, postings of new information to the RFP website will be followed by an announcement made to all registrants to the RFP website. (The only exception will be for data postings that have been scheduled to occur on the same day each month.) The IE and PECO may also issue announcements to a list of registrants to the RFP website from time to time to remind prospective suppliers of deadlines for a given solicitation under the RFP or to make them aware of events that may impact the bids. Announcements will include the following milestones:

- Initial documents posted
- Part 1 Proposal Window opening & closing

- Bidder Information Webcast reminders
- Part 2 Proposal Window opening & closing
- Bids due
- PaPUC decision on RFP results

The goal of these announcements is to ensure that all bidders and stakeholders are aware of the ongoing progress of a solicitation, and to minimize the possibility that a potential bidder is unable to bid due to a missed deadline.

The IE will also engage in direct marketing to promote the RFP opportunity. Members of the IE team will compile a list of prospective suppliers using publicly available information and contact representatives of these entities or contract with a professional marketing service to contact the representatives to inform them of key dates in the RFP and opportunities for them to gain more information about participation in the RFP, such as bidder information webcasts and the RFP website. All prospective suppliers reached during these marketing calls will receive the same public information.

VII. Communications to the Press and the Media

The IE and PECO may also issue press releases or advertisements in order to promote the RFP opportunity. Information placed in the trade press has the ability to reach prospective suppliers that might not have been contacted otherwise and might not have registered to the RFP website of their own volition; thus, more parties may be made aware of the RFP website, and more participation may be achieved for the bidder information webcasts. The IE and PECO will work together to draft these communications. If the IE and PECO issue a press release, contact information of a team member of the IE will be included in case additional information is required.

PECO may grant interviews to the press or respond to press inquiries concerning the RFP. The interviews and responses to press inquiries are limited to public information regarding the RFP. PECO may require that the IE, who is to provide support in promotion efforts, participate in interviews and press inquiries. PECO has complete discretion to provide its customers and security

analysts with public information regarding the RFP. PECO has complete discretion to provide public information to utilities or regulators from outside Pennsylvania.

The IE will coordinate with PECO's press representatives on all media contacts before the RFP. The IE will coordinate with PECO before granting interviews or commenting on any aspect of the RFP. Notwithstanding this, the IE will answer routine inquiries from the press and will inform PECO of such inquiries (e.g., wanting to know where a document is on the RFP website).

VIII. Bidder Information Webcasts

In addition to the electronic information dissemination methods via the RFP website, email, or through press releases, bidder information webcasts are effective for presenting efficiently and concisely the main elements of the RFP. Such webcasts also have the significant benefit of allowing bidders to ask questions directly of the IE and PECO. The IE and PECO expect that, for each solicitation, there would be a webcast prior to the due date for submission of Part 1 Proposals, and a subsequent training session held for bidders that are qualified to submit a Part 2 Proposal.

Each webcast will be tailored to parties considering participation in the RFP and will cover a broad range of general topics about the opportunity. The aim is to provide a wealth of information quickly, so that potential bidders can evaluate the opportunity. Subject material will consist of the requirements of the RFP, the rules for the submission of Proposals, the general structure of the RFP, the definition of the products available, and a summary of the RFP website and communication channels by which interested parties can obtain further information throughout the process.

The IE will prepare and deliver the presentation of the webcast, with representatives of PECO on hand to answer questions if necessary. The IE will take down all questions asked and answered at the bidder information webcast and post them to the RFP website as Frequently Asked Questions, so that bidders that are unable to attend the bidder information webcast have access to the same information as bidders able to attend. Similarly, the presentation will be available on the RFP website after the bidder information webcast, both as a pdf and as a recording of the audio. No information about the parties in attendance at the bidder information webcast will be made public.

Shortly before the Bid Date, the IE will hold a training session on the mechanics of submitting bids on the Bid Date. This session will be limited to bidders.

IX. Alternate Guaranty Process

PECO will allow any prospective supplier to submit for consideration an alternate guaranty form that the prospective supplier uses in its normal course of business. A separate and more detailed document about the Alternate Guaranty Process is included as Appendix 2 to the RFP Rules. This document provides the specific minimum requirements of any alternate guaranty form.

The protocol for the processing of a submission under the Alternate Guaranty Process will occur in the following steps:

1. Parties submit alternate guaranty forms by emailing the form and all relevant documentation to the IE (as specified in the Alternate Guaranty Process document).
2. The IE acknowledges receipt of the package by email. The notice includes an assessment of whether all required materials have been received. If there is time before the deadline, a prospective supplier submitting incomplete documentation will be given an opportunity to complete its submission.
3. The IE redacts all information that could identify the prospective supplier submitting the alternate guaranty form and provides the redacted form and other documentation to PECO electronically.
4. PECO evaluates the alternate guaranty package with the assistance of the IE and of outside counsel as necessary.
 - a. If the package is acceptable, the IE sends a notice to the prospective supplier informing it of the form's acceptability for use under the Uniform SMA.
 - b. If the package is unacceptable, the IE sends a notice to the prospective supplier informing it of what must be changed in order for the package to be acceptable for use under the Uniform SMA.
5. Prospective suppliers that submit revised alternate guaranty packages do so via email.
6. The IE redacts all information that could identify the parties submitting the revised packages and provides the redacted material to PECO electronically.
7. PECO evaluates with the assistance of the IE and of outside counsel as necessary.

- a. If a revised package is acceptable, the IE sends a notice to the prospective supplier informing it of the form's acceptability for use in the RFP.
 - b. If a package is unacceptable, the IE sends a notice to the prospective supplier informing it of the form's final rejection for use in the RFP and the reasons for the rejection.
8. Accepted forms are kept on file by the IE, as they will be acceptable for use in future solicitations under the RFP.
 9. A prospective supplier submits the executed alternate guaranty form and the signed enforceability opinion with the Part 2 Proposal.

An alternate guaranty form approved through this process will be acceptable to PECO. This alternate guaranty form may be used for purposes of the solicitation during which it is approved and may be used for the course of DSP VI barring changes in the applicable law or changes to the RFP process as may be ordered by the PaPUC. Suppliers that had alternate forms of guaranty approved during a prior Default Service Program will be required to resubmit their materials.

X. Processing of Proposals

A Proposal consists of three (3) parts. The Part 1 Proposal is the bidder's response to the qualification standards described in Article IV of the RFP Rules. Bidders that qualify pursuant to a successful Part 1 Proposal may submit the second part, the Part 2 Proposal. The Part 2 Proposal, described in detail in Article V of the RFP Rules, includes financial support for the bidder's bids. Bidders that present a successful Part 1 Proposal and Part 2 Proposal may submit the third part of the Proposal, which consists of the bidder's bids.

Part 1 and Part 2 Proposals are received and processed by the IE, with certain specified decisions and evaluations made by PECO with the assistance of the IE. The IE is the main party responsible for processing the Proposals and bids. This section lays out the step-by-step procedures to be followed and time periods for each action to be taken.

Prospective suppliers submit Part 1 Proposals during the Part 1 Window. Any information provided by a bidder in its Part 1 Proposal is provided on a confidential basis to the IE and may be provided on a confidential basis to PaPUC Staff. PECO representatives and the IE will review the information provided to fulfill the financial requirements under the Uniform SMA. PECO

representatives and the IE will review draft documents provided to comply with specific requirements for bidders submitting a Proposal under an agency agreement, and draft documents provided to comply with specific requirements for foreign bidders or for bidders relying on the financial standing of a foreign entity.

Bidders submit Part 2 Proposals during the Part 2 Window. Bidders may also provide the representations and certifications required by the online Part 2 Form during the Part 1 Window for early processing. Any information provided by a bidder in its Part 2 Proposal is provided on a confidential basis to the IE and may be provided on a confidential basis to PaPUC Staff. PECO representatives review the pre-bid letter of credit with the name of the bidder and the amount redacted and will participate in the evaluation of the pre-bid letter of credit. PECO representatives and the IE determine the sufficiency of documents provided to comply with specific requirements for bidders applying under an agency agreement, and documents provided to comply with specific requirements for foreign bidders or for bidders relying on the financial standing of a foreign entity.

The IE provides all notifications by email and documents by secure file transfer to the bidder's designated representative and up to three (3) additional individuals. The IE may also communicate with the named officer.

X.A. Part 1 Proposals

In the Part 1 Proposal, applicants submit basic information, such as the name of the prospective supplier and contact information. The officer of the bidder named in the Part 1 Proposal will designate a representative as a point of contact for purposes of the RFP and will make a number of certifications regarding its participation in the RFP as well as provide information required by the Part 1 Proposal. A bidder may designate up to three (3) additional individuals who are authorized to act on behalf of the bidder and who receive all correspondence from the IE.

X.A.1. Receipt and Processing of Part 1 Proposals

- All materials for the Part 1 Proposals must be received by 12 PM (noon EPT) on the Part 1 Date.

- The Part 1 Proposal includes the completed Part 1 Form as well as one (1) copy of all documents required by the Part 1 Form. The Part 1 Form will be available online for bidders to complete through an online Proposal website. The online Proposal website will only be accessible to suppliers that have requested an online account and have been provided login credentials by the IE.
- Any documents required by the Part 1 Proposal other than the Part 1 Form must be submitted electronically either by email to the IE at pecoprocurement@nera.com or by upload to the online Part 1 Form.
- When a bidder submits the online Part 1 Form, the IE receives an email from the online Proposal website that indicates that a submission has been received. The email provides the username associated with the submission. The IE will lock the bidder out of the form so that no further changes are possible to the submitted information while such information is under review. The IE will access the submission through the administrative interface of the online Proposal website. The submission will be downloaded and saved on a secure network accessible only by the IE. The submission will also be saved to a portable medium such as an encrypted USB flash drive and stored off-site for at least four years after the conclusion of the current default service program.
- If the Part 1 Proposal is received by the IE before noon on any business day during the Part 1 Window, the IE will send an acknowledgment confirming receipt on the day the Part 1 Proposal is received with the results of an initial review. If a Part 1 Proposal arrives after noon on any business day during the Part 1 Window prior to the Part 1 Date, the IE will send the acknowledgment along with the initial review by noon of the next business day.
- The IE's initial review will include a determination of the completeness of the Proposal. The initial review will state either that the Part 1 Proposal is complete and is being considered, or the initial review will list items of the Part 1 Proposal that are deficient or require clarification. If the Proposal is deficient or requires

clarification, once a review is sent, the IE will restore access to the online Part 1 Form for the bidder.

- If the Proposal is missing information, or requires clarification, a communication listing all information and documents required to complete the Proposal will be prepared by the IE and sent to the bidder.
 - The bidder has until noon on the Part 1 Date, or until 6 PM on the business day following the business day during which such a notice is sent to the bidder, whichever comes later, to respond.
 - If the information and documents required to remedy deficiencies are submitted within the time allowed, the IE reconsiders the Proposal.
 - If the required information is not submitted within the time allowed, the Proposal is incomplete. The Part 1 Proposal will be rejected and the IE will send a rejection notice to the bidder by email.
- The Part 1 Proposal allows the bidder to submit non-material modifications to the credit instruments, namely the standard form of the pre-bid letter of credit, the standard form of the letter of credit appended to the Uniform SMA, and the standard format of the guaranty. If such a submission is received:
 - The IE will redact identifying information from the document and provide the redacted version to PECO for review.
 - PECO and the IE will evaluate the submission.
 - The IE will communicate the results of the review to the bidders in the specified timeframe.
 - All such modifications related to a particular credit instrument will be posted in a single document on the RFP website.

- To the extent that they remain applicable, modifications that were acceptable in previous Default Service Programs will remain acceptable during DSP VI. A document containing all such modifications will be posted to the RFP website in advance of the first solicitation under DSP VI.
- Bidders submitting a Proposal under a number of specific special circumstances are requested to submit additional documents with their Part 2 Proposals. Any such bidder can submit draft documents with its Part 1 Proposal. These include bidders submitting a Proposal under an agency agreement, foreign bidders, and bidders relying on the financial standing of a foreign entity. The IE will take the following steps for the evaluation of any such documents.
 - The IE will redact identifying information from the document and provide the redacted version to PECO for review.
 - PECO will review the document with the assistance of the IE and the IE will communicate the results of the review to the bidder with the Part 1 Notification.
- The financial documents submitted by all bidders that accompany the Part 1 Proposals will be provided to PECO. PECO representatives will be provided with the information they need to make the creditworthiness evaluation on the Part 1 Date. It is expected that the creditworthiness evaluation will take no more than a day. The following steps will occur:
 - The IE will provide to PECO a spreadsheet that contains the names of the applicants and their guarantors;
 - PECO will make a determination of the creditworthiness of the applicants and their guarantors, with the IE's assistance;
 - The credit assessment of the applicants and their guarantors is entered into the spreadsheet.

X.A.2. Notification for Part 1 Results

- For each prospective supplier that qualifies under the requirements of the Part 1 Proposal, the IE will send a Part 1 Notification regarding their qualification status. This letter also details the creditworthiness assessment.
- With the initial notification, the IE sends by secure file transfer the Part 1 Materials: (i) the Bid Form and instructions for submission of bids; (ii) instructions for filling out and encrypting the Bid Form; (iii) instructions for the electronic transfer of the completed Bid Form from the bidder to the IE; (iv) instructions for submission of the bids in case of technical difficulties with the electronic transfer; (v) invitation to a training session on the bid submission process; and, (vi) a username, a password, and security codes to be used for bid submission uniquely by that bidder.

X.B. Part 2 Proposals

In the Part 2 Proposal, bidders fulfill the requirements specified in Article V of the RFP Rules, including providing financial support for the bidder's bids.

X.B.1. Receipt and Processing of Part 2 Proposals

- All materials for the Part 2 Proposals must be received by 12 PM (noon EPT) on the Part 2 Date. Bidders also have the option to submit the certifications required with the Part 2 Proposal during the Part 1 Window for early processing.
- The Part 2 Form is submitted online through an online Proposal website. The Part 2 Proposal includes the completed Part 2 Form submitted online and an executed Pre-Bid Letter of Credit submitted as an electronic PDF file via electronic means to the IE.
- Bidders submitting a Proposal under an agency agreement, foreign bidders, and bidders relying on the financial standing of a foreign entity submit additional documents as specified in Article V of the RFP Rules. Any additional documents

required by the Part 2 Proposal must be submitted electronically either by email or by upload to the online Part 2 Form.

- When a bidder submits the online Part 2 Form, the IE receives an email from the online Proposal website that indicates that a submission has been received. The email provides the username associated with the submission. The IE will lock the bidder out of the form so that no further changes are possible to the submitted information while such information is under review. The IE will access the submission through the administrative interface of the online Proposal website. The submission is downloaded and saved on a secure network accessible only by the IE. The submission will also be saved to a portable medium such as an encrypted USB flash drive and stored off-site for at least four years after the conclusion of the current default service program.
- If the Part 2 Proposal is received by the IE before noon on any business day during the Part 2 Window, the IE sends the acknowledgment confirming receipt on the day the Part 2 Proposal is received with the results of an initial review. If a Part 2 Proposal arrives after noon on any business day during the Part 2 Window prior to the Part 2 Date, the IE sends the acknowledgment along with the initial review by noon of the next business day.
- The electronic PDF file of the executed Pre-Bid Letter of Credit is saved on a secure network accessible only by the IE.
- The IE's initial review of the Proposal makes a determination on the completeness of the Proposal. The initial review states either that the Part 2 Proposal is complete and is being considered, or the initial review lists items of the Part 2 Proposal that are deficient or require clarification.
- Review of the pre-bid letter of credit as well as documents provided for bidders submitting a Proposal under an agency agreement, as foreign bidders, or while

relying on the financial standing a guarantor may be part of an initial review or may be provided separately the next business day.

- If the Proposal is missing required information, or requires clarification, a communication listing all information and documents required to complete the Proposal is prepared by the IE and sent to the bidder:
 - With the exceptions noted below, the bidder has until noon on the Part 2 Date, or until 6 PM on the business day following the business day during which such a notice is sent to the bidder, whichever comes later, to respond.
 - For deficiencies related to the pre-bid letter of credit, documents provided to comply with specific requirements for bidders applying under an agency agreement, or documents provided to comply with specific requirements for foreign bidders or for bidders relying on the financial standing of a foreign entity, the bidder will have until noon on the Part 2 Date, or until 6 PM on the second business day following the business day during which the bidder is notified, whichever comes later, to respond.
 - The IE will restore the bidder's access to the online Part 2 Form to allow the bidder to remedy the deficiencies to the submitted information.
- If the information and documents required to remedy deficiencies are submitted within the time allowed, the IE reconsiders the Proposal.
- If the required information and documents are not submitted within the time allowed, the Proposal is incomplete. If the Part 2 Proposal is rejected, the IE sends a rejection notice to the bidder by email.
- All bidders submit an executed pre-bid letter of credit with their Part 2 Proposals. PECO reviews the pre-bid letter of credit to ensure that it either uses the standard form or that it includes only approved modifications. The following steps will occur:

- IE redacts all information that could identify the applicant and the amount prior to providing it electronically to PECO for review.
 - PECO will check that the forms of the pre-bid letters of credit are acceptable with the assistance of the IE. The IE and PECO undertake a daily review, and conference call if necessary, during the Part 2 Proposal Window to review the pre-bid letters of credit as they arrive.
 - If the pre-bid letter of credit requires revision, the IE prepares a deficiency notice informing the bidder of how its pre-bid letter of credit is deficient and what it must do to remedy the deficiencies. This notice to the bidder is sent by via email.
 - If a new/amended pre-bid letter of credit is submitted, the IE confirms whether the new pre-bid letter of credit follows the instructions of the deficiency notice. The IE consults PECO as needed by conference call. If the new pre-bid letter of credit does not follow the requirements, the bidder will receive an additional deficiency notice as long as time remains for the bidder to remedy the deficiencies. If no time remains, the bidder will not be allowed to submit bids.
- Bidders in special circumstances provide additional documents with the Part 2 Proposal. This is the case for bidders applying under an agency agreement, documents provided to comply with specific requirements for foreign bidders, and for bidders relying on the financial standing of a foreign entity. The sufficiency of these documents is evaluated by PECO and the IE. For each of these documents submitted:
 - The IE and PECO meet daily as needed via conference call during the Part 2 Proposal Window to evaluate these documents as they arrive. PECO and IE determine the sufficiency of the documents provided.

- If a document requires revision, the IE prepares a deficiency notice informing the bidder of how such document is deficient and what it must do to remedy the deficiencies. This letter is sent by email to the bidder.
- If a bidder had submitted a draft of these documents with its Part 1 Proposal for review and if the bidder conforms these documents submitted with the Part 2 Proposal to the review provided during the assessment of the Part 1 Proposal, then these documents will automatically be considered sufficient.
- If a new/amended document is submitted, the IE confirms whether the new document follows the requirements of the deficiency notice. The IE consults PECO as needed by conference call. If the new document does not follow the requirements, the bidder is not allowed to submit bids, or is not granted unsecured credit under the terms of the Uniform SMA, or is not allowed to rely on the financial standing of the guarantor.

X.B.2. Notification for Part 2 Results

A bidder that submits a Part 2 Proposal will be notified whether it has qualified to submit bids no later than 6 PM on the Part 2 Notification Date. This Part 2 Notification letter will be sent to the bidder by secure file transfer.

XI. Transmitting Confidential Information

At various times throughout the RFP process, it will be necessary for the IE to communicate certain highly confidential information to RFP Bidders. This section specifies the methods by which such information will be transferred. These protocols are used when information designated as highly confidential information must be transmitted; they are not used in the course of standard Proposal-related communication such as deficiency and complete notices. Any communication containing any of the following items is designated as highly confidential:

- Bidding results
- Login information for the secure file transfer system
- Bidder-specific load caps

- Part 1 and Part 2 Notifications

XI.A. Email & Secure File Transfer

When sending highly confidential communications to bidders, the IE will observe the following protocols:

- Communications with information regarding a bidder's participation in the RFP will only be sent to the representatives designated in the Proposal forms.
- If confidential information is sent as an attachment via email, the email will include a note in the text of the communication informing the recipient of the purpose of the email and instructing the recipient to destroy the email and its attachment without reading or retaining them if the email has been received in error.
- Communications with confidential information will be checked by at least two members of the IE Team before being sent to ensure that the recipients are correct and that the correct file for that bidder has been attached or transmitted via the secure file transfer system.

XII. Bid Submission Training

The IE will hold a training session for bidders to practice the bid submission process prior to the submission of bids. The principle of the training is to familiarize all bidders with the step-by-step procedure to submit bids so that they can be sure they understand the process in advance of the actual Bid Date, allowing them to submit their actual bids without being hampered by technical difficulties or procedural questions. The training session is scheduled to occur early during the Part 2 Proposal Window and will allow only potential bidders that have submitted successful Part 1 Proposals to familiarize themselves with the process by which they will be allowed to submit bids pursuant to successful Part 2 Proposals.

The IE will conduct the training exactly as it would on the Bid Date, except that bids submitted through the training exercise will not be binding in any way. PaPUC Staff may monitor

the training exercise. PECO is not involved in the bidder training but may participate in a separate mock trial with the IE so as to understand the bid submission process.

The training exercise will occur as follows:

1. Bidders will be provided with information on how to participate in the training with their Part 1 Notifications, including information for the electronic transfer of the Bid Form specific to the training;
2. Bidders will fill out, encrypt¹, and transfer electronically their Bid Forms to the IE using the system that will be employed on the actual Bid Date, and during a specific timeframe set aside for the training;
3. The IE will receive, decrypt and evaluate the submitted forms for completeness as it would on the actual Bid Date;
4. The IE will contact the bidders to inform them of the receipt of their practice Bid Forms, and whether or not the forms were filled out properly;
5. Bidders wishing to practice submitting bids using a backup method will be afforded the opportunity to do so.

XIII. Market Report

The market report will be provided one week to ten days in advance of the Bid Date to the PaPUC on a confidential basis. This report would provide visible market prices for components of the full-requirements product and provide the PaPUC with any changes in broad trends in the wholesale markets since the previous solicitation. If appropriate, the market report could also report the results of similar solicitations held in the State or in a comparable region.

¹ Encryption is optional, but bidders will be encouraged to practice the encryption method and to use it on the Bid Date. The Independent Evaluator will verify the identity of bidders that submit unencrypted bid forms using the bidder-specific confidential information provided with the Part 1 Notification.

XIV. Bid Processing

A bidder's bids must be received between 10 AM and 12 PM (noon) on the Bid Date. The Bid Form, as provided to each bidder along with its Part 1 Notification, is the exclusive method for the submission of bids. The RFP Rules are the governing document regarding the processing of bids on the Bid Date. The steps of the process are as follows:

- The Bid Form must be filled out completely, encrypted (optional), and transferred according to the instructions provided by the IE.
- A bidder submits its bids electronically, by transferring a Bid Form through a secure file transfer system. The bidder must use a username and a password to access the secure file transfer system. The bidder must either use the security code provided by the IE to encrypt its Bid Form or provide the security code over the phone if the Bid Form is not encrypted. A bidder can email the IE to ask for confirmation of the IE's receipt of the Bid Form.
- The primary backup method for submitting the Bid Form is by email. A bidder that submits the Bid Form by email will be informed that the IE recommends that the Bid Form be encrypted. A bidder that must resort to submitting its Bid Form by email because of technical difficulties must follow the instructions provided by the IE for this contingency. These instructions will include a representative of the bidder emailing or texting the IE to advise the IE of technical difficulties. If a Bid Form submitted via the backup method is not encrypted with the security code, the bidder must provide the security code over the phone to the IE.
- The IE checks the Bid Form received for completeness and consistency with the requirements of the RFP, including a verification that the pre-bid letter of credit is sufficient to cover the bids of each bidder. The IE contacts each bidder with the evaluation of the Bid Form within 30 minutes of receipt of the Bid Form.

- If the Bid Form is complete and consistently filled out, the IE acknowledges receipt of the Bid Form and states to the bidder that the Bid Form is complete and consistent with the RFP Rules.
- If the Bid Form received by the IE is incomplete or inconsistent, the IE acknowledges receipt of the Bid Form but advises the bidder of the information that must be added or modified. If a complete and consistently filled out bid form is not received by the deadline, the bids will not be evaluated.
 - In the case where the IE provides the evaluation of a Bid Form with at least ten minutes left in the Bid Window, if the Bid Form is incomplete or inconsistent with the RFP Rules, or if the Pre-Bid Letter of Credit is insufficient to support the number of tranches bid by the bidder, then the bidder may correct and resubmit that Bid Form as long as it is received between 10 AM and 12 PM (noon) on the Bid Date.
 - In the case where the IE provides the evaluation of a Bid Form with less than ten minutes left in the Bid Window, or after the Bid Window has closed, the following will apply. If the Bid Form is incomplete or inconsistent with the RFP Rules, or if the Pre-Bid Letter of Credit is insufficient to support the number of tranches bid by the bidder, the bidder will have ten minutes to resubmit the Bid Form strictly for the purpose of addressing the deficiencies identified by the IE. Only one such resubmission will be considered. The IE will reject a resubmitted Bid Form that modifies bids that were consistent with the RFP Rules as originally submitted.
 - If the Pre-Bid Letter of Credit is insufficient to support the number of tranches bid by the bidder and the bidder does not correct for this

by the deadline, the IE will modify the Bid Form as specified in the RFP Rules.

- Members of the IE communicating with bidders during the submission procedures use a script so as to minimize any disparity of information provided to bidders.
- The bids supported by an adequate Pre-Bid Letter of Credit will be evaluated on a price-only basis. The bids for each product will be ranked from lowest to highest price until all bids are ranked or until the number of bids that are ranked equals the number of tranches available for the product.
- The IE phones each bidder that has submitted bids by 3 PM on the Bid Date and identifies the bidder's bids that are being identified to the PaPUC as lowest-priced bids.
- If two or more bidders submit bids that are identical for a product, these bids will be considered "Tied Bids" at that price. The IE will use the tie-breaking procedure described in the RFP Rules.

The IE communicates with PECO and provides the average winning price for each product and whether the solicitation has purchased all available tranches. PECO will not have information regarding any bidder's specific bids.

XV. Post-Bid Procedures

XV.A. Post-Bid Meeting with PECO

To facilitate the timeline for the execution of contracts, the IE will provide to PECO certain information about the results of bidding prior to the PaPUC decision on a confidential basis. All recipients of this information will have signed the Confidentiality Statement and will treat such information as highly confidential. All recipients of the information will be advised of its confidential nature and that it is preliminary, subject to approval by the PaPUC.

The information provided to PECO will include:

- The number of tranches of each product that were filled;
- The weighted average winning bid price of each product;
- The names of bidders that submitted Part 1 and Part 2 Proposals.

XV.B. PaPUC Decision

The IE will present the results of each solicitation to the PaPUC by 8 AM on the day immediately following the Bid Date in a confidential report. This confidential report will include the lowest-priced bids determined during the evaluation. Following the submission of the report by the IE:

- The PaPUC will have one (1) business day to consider the report of the IE and to approve or reject each of the winning bids. If the PaPUC does not act within one (1) business day, the winning bids are deemed to be approved.
- The IE will notify all bidders that had lowest-priced bids. The IE provides to PECO the name of each approved supplier, and for each such supplier, the number of tranches won by the supplier and the supplier-specific price for each product. The supplier-specific price for a given product is the average of the supplier's approved bids for that product.
- PECO is not provided with information concerning losing bids.

XV.C. Provision of Redacted Final Report to PECO

To assist PECO in assessing whether the products offered could be improved in future procurement plans and to assist it in finalizing its contingency plans should the results of any solicitation be rejected by the Commission, the IE will provide PECO with certain additional information. Namely, PECO will be provided with a redacted version of the factual report provided to the Commission on the results of the solicitation. The report will be redacted so that PECO will not receive information about bids that is bidder-specific or Proposal information that a bidder may consider confidential or proprietary. The report will be provided at the conclusion of the solicitation, namely when all contracts with winning suppliers that are approved by the Commission have been executed.

Any bidder-specific information that is not relevant to PECO's assessment of the products offered or to its contingency plan will be redacted to the extent that the bidder could reasonably believe such information to be confidential. Analysis of the bidding data that provides an overview of the competition or summary statistics for the entire pool of bidders will not be redacted. The IE expects items that will be redacted to include:

- The identities of losing bidders that submitted bids and the particular products for which losing bidders submitted bids;
- The bid prices of individual tranches won by each bidder;
- Information concerning specific losing bids;
- The identities of bidders that did or did not participate in the bidder training session to practice the online submission of bids; and
- Deficiencies in the Proposals of certain bidders or difficulties with the submission of practice or actual bids, to the extent that such deficiencies were cured and or such difficulties did not materially impact the results of the solicitation.

XV.D. Preparation of Uniform SMA Documents by the IE

The IE will prepare the Uniform SMA for each New Default Supplier and the guaranty for each Default Supplier that is relying on the financial standing of an RFP Guarantor in accordance to the timeline provided below.

- On the Bid Date, the IE will contact bidders that have bids that are identified to the PaPUC as lowest-priced bids and did not provide the necessary information to prepare the Uniform SMA with the Part 1 Proposal. These bidders are instructed to provide the required information by 12 PM (noon) on the following business day.
- On the day the Commission approves some or all of the lowest-priced bids, the IE sends to PECO by secure file transfer the Uniform SMA, including all exhibits, for each New Default Supplier, the guaranty for each New Default Supplier relying on the financial standing of a Guarantor, transaction confirmations for each product and Default Supplier, and the most current contact information that the IE has for each Default Supplier.

XV.E. Execution of Uniform SMA Documents and Transaction Confirmations

PECO and each Default Supplier will execute the Uniform SMA documents and transaction confirmations in accordance with the schedule provided below

- By 12 PM on the second business day following the Commission approval of some or all of the lowest-priced bids, PECO sends by email:
 - An electronic version of the partially executed Uniform SMA, including all Exhibits, to each New Default Supplier;
 - An electronic version of the partially executed Transaction Confirmation to each Default Supplier for each product for which the Default Supplier has won tranches; and
 - An electronic version of the guaranty (if necessary) to each New Default Supplier relying on the financial standing of an RFP Guarantor.
 - PECO also informs each Default Supplier of its specific creditworthiness requirements.
- By 2 PM on the third business day following Commission approval of some or all of the lowest-priced bids:
 - Each New Default Supplier partially executes the Uniform SMA using an acceptable signature and returns an electronic version to PECO by email;
 - Each Default Supplier partially executes the Transaction Confirmation(s) using an acceptable signature and returns an electronic version to PECO by email; and
 - Each New Default Supplier relying on the financial standing of an RFP Guarantor executes the guaranty using an acceptable signature and returns an electronic version to PECO.

- By close of the third business day following Commission approval of some or all of the lowest-priced Bids, each Default Supplier complies with all instructions from PECO to fulfill the creditworthiness requirements under the Uniform SMA.

XV.F. Return of Pre-Bid Security

The IE plans to release the pre-bid letters of credit for all bidders no later than six (6) business days after the Bid Date. To ensure that the signed certificates of cancellation are returned to the bidder's bank as quickly as possible, the certificates of cancellation will be signed by PECO in advance of when the pre-bid letter of credit must be released and held by the IE. The time of release will depend on whether or not the bidder has won any products at the RFP and on the PaPUC's decision:

- If the Commission does not approve any of a particular bidder's bids, the IE will release that bidder's pre-bid letter of credit within three (3) business days after the Bid Date.
- If the Commission approves any of a particular bidder's bids, the IE will release that bidder's pre-bid letter of credit as soon as practical and no later than six (6) business days after the Bid Date.
 - PECO will notify the IE as soon as an approved supplier has returned the executed Uniform SMA and Transaction Confirmation.
 - The prompt return of bid security will also be conditioned upon the bidder not having violated any undertakings agreed to as part of the RFP.

Exhibit D

Revised Electric Service Tariff (Relevant Pages)

PECO Energy Company

Electric Service Tariff

COMPANY OFFICE LOCATION

2301 Market Street

Philadelphia, Pennsylvania 19103

For List of Communities Served, See Page 4.

Issued June 26, 2024

Effective June 1, 2025

**ISSUED BY: David M. Velazquez – President & CEO
PECO Energy Distribution Company
2301 MARKET STREET
PHILADELPHIA, PA. 19103**

NOTICE

LIST OF CHANGES MADE BY THIS SUPPLEMENT**GENERATION SUPPLY ADJUSTMENT FOR PROCUREMENT CLASSES 1 AND 2 LOADS UP TO 100KW – X REVISED PAGE NO. 36, X REVISED PAGE NO. 37, X PAGE NO. 37A,**

Updated to reflect effective date of June 1, 2025 (DSP VI). Modified from quarterly rate adjustments to semi-annual rate adjustments occurring on June 1 and December 1, commencing June 2025 (DSP VI).

GENERATION SUPPLY ADJUSTMENT FOR PROCUREMENT CLASS 3/4 LOADS GREATER THAN 100KW X REVISED PAGE NO. 38 -

Updated to reflect effective date of June 1, 2025 (DSP VI).

RECONCILIATION X REVISED PAGE NO. 39 AND X REVISED PAGE NO. 40

Updated to reflect effective date of June 1, 2025 (DSP VI). Modified from quarterly rate adjustments to semi-annual rate adjustments occurring on June 1 and December 1, commencing June 2025 (DSP VI).

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**GENERATION SUPPLY ADJUSTMENT FOR PROCUREMENT CLASSES 1 AND 2
LOADS UP TO 100KW**

Applicability: June 1, 2025 this adjustment shall apply to all customers taking default service from the Company with demands up to 100 (C) kW. The rate contained herein shall be calculated to the nearest one thousandth of a cent. The GSA shall contain the cost of generation supply for each tariff rate. The Company will apply Standard Pricing unless customers voluntarily request and are eligible to participate in the Time-Of-Use Pricing Option as detailed below.

Standard Pricing: Standard Pricing provides default service to customers who have not selected or are not eligible for PECO's Time-Of-Use Pricing Option. The rates below shall include the cost of procuring power to serve the default service customers including the cost of complying with the Alternative Energy Portfolio Standards Act ("AEPS" or the "Act") plus associated administrative expenses incurred in acquiring power and gaining regulatory approval of any procurement strategy and plan. The standard pricing for default service will represent the estimate of the cost to serve the specific tariff rate for the next semi-annual period beginning with the six months ended November 30, 2025. The rates in (C) this tariff shall be updated semi-annually on June 1 and December 1 commencing June 1, 2025 and are not prorated. If the balance of over/(under) recovery gets too large, the Company can file a reconciliation that will mitigate the subsequent impact. The standard generation service charge shall be calculated using the following formula:

Standard GSA(n) = (C-E+A)/S*1/(1-T)* (1-ALL)/(1-LL) +AEPS/S*1/(1 - T) + WC where;

C= The sum of the amounts paid to the full requirements suppliers providing the power for the semi-annual period, the spot market purchases for the semi-annual period, plus the cost of any other energy acquired for the semi-annual period. Cost shall include energy, capacity and ancillary services, distribution line losses, cost of complying with the Alternative Energy Portfolio Standards, and any other load serving entity charges other than network transmission service and costs assigned under the Regional Transmission Expansion Plan. Ancillary services shall include any allocation by PJM to PECO default service associated with the failure of a PJM member to pay its bill from PJM as well as the load serving entity charges listed in the Supply Master Agreement Exhibit D as the responsibility of the supplier. This component shall include the proceeds and costs from the exercise of Auction Revenue Rights granted to PECO by PJM.

AEPS = The projected total cost of complying with the Alternative Energy Portfolio Standards Act ("AEPS" or the "Act") not included in the C component above for the semi-annual period for each procurement class. Costs include the amount paid for Alternative Energy and/or Alternative Energy Credits ("AEC's") purchased for compliance with the Act, the cost of administering and conducting any procurement of Alternative Energy and/or AEC's, payments to the AEC program administrator for its costs of administering an alternative energy credits program, payments to a third party for its costs in operating an AEC registry, any charge levied by PECO's regional transmission operator to ensure that alternative energy sources are reliable, a credit for the sale of any AEC's sold during the calculation period, and the cost of Alternative Compliance Payments that are deemed recoverable by the Commission, plus any other direct or indirect cost of acquiring Alternative Energy and/or AEC's and complying with the AEPS statute.

E = Experienced over or under-collection calculated under the reconciliation provision of the tariff to be effective semiannually with recovery during the periods June 1 through November 30 of the current year and December 1 of the current year through May 31 of the following year.

A = Administrative Cost - This includes the cost of the Independent Evaluator, consultants providing guidance on the development of the procurement plan, legal fees incurred gaining approval of the plan and any other costs associated with designing and implementing a procurement plan including the cost of the pricing forecast necessary for estimating cost recoverable under this tariff. Also included in this component shall be the cost to implement real time pricing or other time sensitive pricing such as dynamic pricing that is required of the Company or is approved in its Act 129 filing. Administrative Costs also includes any other costs incurred to implement retail market enhancements directed by the Commission in its Retail Market Investigation at Docket No. I-2011-2237952 or any other applicable docket that are not recovered from EGSs or through another rate.

S = Estimated sales for the period the rate is in effect for the classes to which the rate is applicable. Six month sales are used for the E factor with effective periods June 1 through November 30 of the current year and December 1 of the current year through May 31 of the following year.

T = The currently effective gross receipts tax rate.

n = The procurement class for which the GSA is being calculated.

ALL = Average line losses for the procurement class.

LL = Line losses for the specific rate class provided in the Company's Electric Generation Supplier Coordination Tariff rule 6.6.

WC = \$0.00021/kWh to represent the cash working capital for power purchases.

Auction Revenue Rights (ARR) = Allocated annually by PJM to Firm transmission customers, the ARR's allow a Company to select rights to specific transmission paths in order to avoid congestion charges. In general, the line loss adjustment is applicable to Procurement Class 2 only as those classes contain rate classes with three different line loss factors: Current Charges:

Standard Rate		Standard GSA Price
R	GSA (1)	\$0.xxxxx
RH	GSA (1)	\$0.xxxxx
GS	GSA (2)	\$0.xxxxx

(C)

(C) Denotes Change

**GENERATION SUPPLY ADJUSTMENT FOR PROCUREMENT CLASSES 1 AND 2
LOADS UP TO 100KW (CONTINUED)**

PD	GSA (2)	\$0.xxxxx
HT	GSA (2)	\$0.xxxxx
POL*	GSA (2)	\$0.xxxxx
SL-S*	GSA (2)	\$0.xxxxx
TLCL	GSA (2)	\$0.xxxxx
SL-E*	GSA (2)	\$0.xxxxx
AL*	GSA (2)	\$0.xxxxx
SL-C* **	GSA (2)	\$0.xxxxx

(C)

* Prices shall exclude capacity from the Procurement Class 2 RFP results.

** Rate SL-C was effective July 1, 2019 pursuant to the Order at Docket No. R-2018-3000164

Procedure: For Procurement Classes 1 and 2 the GSA shall be filed 45 days before the effective dates of June 1 and December 1 in conjunction with the Reconciliation Schedule.

Time-Of-Use (TOU) Pricing Option: The TOU Pricing Option provides eligible customers with an opportunity to shift energy usage away from peak periods, when wholesale electricity demand and prices are high, to off-peak periods, when demands and prices are lower. Customers may voluntarily request this option in lieu of Standard Pricing described above and must meet the TOU Eligibility Requirements below. (Customers electing this option are billed based on interval-metered consumption of usage within each TOU Pricing Period. Beginning and ending reads are not applicable TOU billing determinants.) Commencing June 1, 2025, TOU Pricing Option rates will be updated semi-annually in concurrence with the Standard GSA on June 1 and December 1 and are not prorated.

The year-round TOU Pricing Periods, TOU Period Allocators ["PA-GSA(n)"], and TOU Pricing Multipliers ["PM-GSA(n)"] from June 1, 2025 through May 31, 2026 are as follows:

(C)

TOU Pricing Period	Days/Hours Included	TOU Period Allocator PA-GSA(1)	TOU Period Allocator PA-GSA(2)	TOU Pricing Multiplier PM-GSA(1) (Ratio to Super Off-Peak)	TOU Pricing Multiplier PM-GSA(2) (Ratio to Super Off-Peak)
Peak ("PP")	2:00 – 6:00 p.m. Monday through Friday, excluding PJM holidays	12%	14%	x-to-x	x-to-x
Super Off-Peak ("SOPP")	Midnight (12 a.m.) – 6 a.m. Every day	20%	20%	1-to-1	1-to-1
Off-Peak ("OPP")	All other hours	68%	66%	x-to-x	x-to-x

(C)

Commencing with the GSA and TOU rates effective June 1, 2022, PECO may update the TOU Pricing Multipliers in the above table annually, using a rolling five years of historical PJM Day-Ahead Spot Market Pricing energy data and Reliability Pricing Model capacity pricing data for the PECO zone. PECO will **only** update the applicable TOU Pricing Multipliers if the use of such data would result in no more than a 10% change from the prior-year's TOU Pricing Multipliers. If these updates would exceed 10%, the applicable TOU Pricing Multipliers will be changed by exactly 10%.

To calculate the semi-annual TOU Pricing Option rates, the Company will first calculate the semi-annual TOU Super Off-Peak Price ("SOPP") in accordance with the formula set forth below:

TOU SOPP GSA(n) = Standard GSA(n) * [1 / SOPP-F(n)] where;

Standard GSA(n) = Defined as above for Standard Pricing.

SOPP-F(n) = Super Off-Peak Price Factor representing the ratio of the Standard GSA(n) to the Super Off-Peak Price, calculated as follows:

TOU SOPP PA-GSA(n) + [(TOU OPP PM-GSA(n) * TOU OPP PA-GSA(n)] + [(TOU PP PM-GSA(n) * TOU PP PA-GSA(n)]

The Company will then calculate the semi-annual TOU Peak ("PP") and Off-Peak ("OPP") prices as follows:

TOU PP GSA(n) = TOU SOPP GSA(n) * TOU PP PM-GSA and;

TOU OPP GSA(n) = TOU SOPP (GSA(n) * TOU OPP PM-GSA.

(C) Denotes Change

GENERATION SUPPLY ADJUSTMENT FOR PROCUREMENT CLASSES 1 AND 2
LOADS UP TO 100KW (CONTINUED)

Current TOU Pricing Option Charges:

(C)

TOU Rate	Peak ("PP") (2-6 PM Monday-Friday, excluding holidays)	Super Off-Peak ("SOPP") (12-6 AM all days)	Off-Peak ("OPP") (All other times)
R (GSA 1)	\$0.xxxxx	\$0.xxxxx	\$0.xxxxx
RH (GSA 1)	\$0.xxxxx	\$0.xxxxx	\$0.xxxxx
GS (GSA 2)	\$0.xxxxx	\$0.xxxxx	\$0.xxxxx
PD (GSA 2)	\$0.xxxxx	\$0.xxxxx	\$0.xxxxx
HT (GSA 2)	\$0.xxxxx	\$0.xxxxx	\$0.xxxxx

TOU Eligibility Requirements and Switching Rules:

The TOU Pricing Option is available to new and existing Customers in Procurement Classes 1 or 2 with a smart meter configured to measure energy consumption in watt-hours. This includes Customers in the above referenced Procurement Classes taking default service from the Company and who also participate in the Company's RS-2 (Net Metering) tariff, except for virtual net metered Customers. Residential Customers enrolled in the Company's Customer Assistance Program (CAP) are not eligible for the TOU Pricing Option.

As a prerequisite for enrollment, the Customer must have a valid e-mail address to ensure the Company is able to provide the enrolled TOU Pricing Option Customer with timely and meaningful communications regarding their bill savings performance.

Participating Customers will remain on the TOU Pricing Option rate until they affirmatively elect to return to PECO's Standard GSA rate, switch to an EGS, or otherwise become ineligible.

Customers who select the TOU Pricing Option may leave at any time without incurring related penalties or fees. However, Customers who select and subsequently leave the TOU Pricing Option for any reason may not re-enroll on the TOU Pricing Option rate for twelve billing months after switching off the TOU Pricing Option rate.

(C) Denotes Change

**GENERATION SUPPLY ADJUSTMENT FOR PROCUREMENT CLASS 3/4
LOADS GREATER THAN 100KW**

Applicability: June 1, 2025 this adjustment shall apply to all customers taking default service from the Company with demands greater than 100 kw. (C)

Hourly Pricing Service

Pricing: The rates below shall include the cost of procuring power to serve the default service customers plus associated administrative expenses incurred in acquiring power and gaining regulatory approval of any procurement strategy and plan. The rates for the GSA 3/4 Hourly Pricing Adder* shall be updated quarterly on June 1, September 1, December 1 and March 1 commencing June 1, 2025 and are not prorated. (C)
If the balance of over/(under) recovery gets too large due to billing lag, the Company can file a reconciliation that will mitigate the subsequent impact. The cost for this hourly service rate shall be as follows:

Generation Supply Cost (GSC) = (C+R+AS+AC-E)/(1-T)+WCA where;

C = The PJM day ahead hourly price multiplied by the customers usage in the hour summed up for all hours in the month

$$\Sigma \text{PJM}_{DA} \times \text{usage} / (1-\text{LL})$$

PJM_{DA} – PJM on day ahead hourly price.

Usage - Electricity used by an end use customer.

R = The PJM reliability pricing model (RPM) charge for month for the customer. The RPM charge shall be the customers peak load contribution as established for PJM purposes multiplied by the current RPM monthly charge and the PJM established reserve margin adjustment.

PLC x (1+ RM) x P_{RPM} x Bill Days

PLC = Peak load contribution

RM = Reserve margin adjustment per PJM

P_{RPM} = Capacity price per MW-day

AC = Administrative Cost - This includes an allocation of the cost of the Independent Evaluator, consultants providing guidance on the development of the procurement strategy, legal fees incurred gaining approval of the plan, and any other costs associated with designing and implementing a procurement plan divided by the total default service sales and then multiplied by the customers usage for the month. Administrative Costs also includes any other costs incurred to implement retail market enhancements directed by the Commission in its Retail Market Investigation at Docket No. I-2011-2237952 or any other applicable docket that are not recovered from EGSs or through another rate.

A / S x Usage

A = Administrative cost

S = Default service sales

AS = The cost, on a \$/MWH basis, of acquiring ancillary services from PJM and of complying with the Alternative Energy Portfolio Standard, multiplied by the customers usage for the month and divided by (1-LL). Congestion charges including the proceeds and costs from the exercise of

Auction Revenue Rights shall be included in this component. Ancillary services shall be those included in the Supply Master Agreement as being the responsibility of the supplier.

$$((\text{PJM}_{AS} \times \text{Usage} * 1 / (1-\text{LL}) + \text{AEPS} / \text{S}_{\text{AEPS}} \times \text{Usage})$$

PJM_{AS} = \$/MWH charged by PJM for ancillary services

AEPS = Cost of complying with the alternative energy portfolio standard

S_{AEPS} = Sales for which AEPS cost is incurred

If the supplier provides the ancillary services and AEPS cost then the customer shall be charged the supplier's rate for these services times usage and divided by (1-LL).

Auction Revenue Rights (ARR) = Allocated annually by PJM to Firm transmission customers, the ARR's allow a Company to select rights to specific transmission paths in order to avoid congestion charges

LL = Line loss factor as provided in the Company's Electric Generation Supplier Coordination Tariff Rule 6.6 based upon the customers distribution rate class adjusted to remove losses included in the PJM LMP

T = The currently effective gross receipts tax rate

E = $\Sigma O(U) / S_{3/4} \times \text{usage}$ where

E (Purchased Generation Adj.) = Over/under recovery as calculated in the reconciliation

S_{3/4} = Procurement class 3/4 sales

WC = \$0.00021 kWh for working capital associated with power purchases

WCA = Individual customer sales x WC

Procedure: The "E" factor shall be updated semiannually in conjunction with the Reconciliation. The applicable above items are converted to the rates listed below.

Tariff Rate	GS	PD	HT	EP
Hourly Pricing Adder* (dollars/kWh)	\$0.xxxxx	\$0.xxxxx	\$0.xxxxx	\$0.xxxxx

(C)

* Includes administrative cost (AC), ancillary service charge (AS), E factor (E) and working capital (WC).

(C) Denotes Change

RECONCILIATION

Applicability: June 1, 2025 this adjustment shall apply to all customers who received default service during the period the cost of which is being reconciled. Customers taking default service during the reconciliation period that leave default service prior to the assessment of the collection of the over/(under) adjustment shall still pay or receive credit for the over/(under) adjustment through the migration provision. The Company shall notify the Commission and parties to the Default Service Settlement 15 days in advance of the semi-annual, quarterly or monthly filing if the Migration Provision will be implemented in the filing. (C)

This adjustment shall be calculated on a semiannual basis for Procurement Classes 1, 2 and 3/4 Hourly. The reconciliation period will include the six month period beginning January 1 and July 1 commencing with the July 1, 2024 through December 31, 2024 reconciliation period. There will be a transition reconciliation period for Procurement Classes 1 and 2 effective June 1, 2025 through November 30, 2025. The reconciliation will be based on utilizing the December 31, 2024 over/(under) balance adjusted for prior period revenues from January 2025 through May 2025. The reconciliation shall be separate for each procurement class. Any resulting over or under recovery shall be assessed on an equal cents per kilowatt hour basis to all customers in the relevant procurement group. For Procurement Classes 1 and 2, any over/(under) recovery shall be collected after the occurrence of five months from the end of the reconciliation period. Recovery shall be over a six month period commencing June 1 and December 1. For Procurement Class 3/4 Hourly, any over/(under) recovery shall be collected after the occurrence of two months from the end of the reconciliation period. Recovery shall be over a six month period commencing September 1 and March 1. The initial six month period is June 1, 2025 through November 30, 2025. (C)

For purposes of this rider the reconciliation shall be calculated 45 days before the effective date of recovery. The over or under recovery shall be calculated using the formula below. The calculation of the over/(under) recovery shall be done separately for the following procurement classes – Class 1 – Residential, Class 2 – Small C&I up to and including 100 kW, and Class 3/4 – Large C&I greater than 100 kW. For Procurement Classes 1 and 2, Standard Pricing and TOU Pricing Option revenue and cost of supply will be included for the entire Procurement Class.

Reconciliation Formula

$$E_N = \Sigma O/(U) + I$$

$$\text{Migration Provision } E_M = [\Sigma O/(U) + I]/S/(1-GRT)*(1-ALL)/(1-LL)$$

Where:

E = Experienced over or under collection plus associated interest

N = Procurement class

M = Migration Rider

O/(U) = The monthly difference between revenue billed to the procurement class and the cost of supply as described below in Cost, AEPS Cost and Administrative Cost.

Revenue = Amount billed to the tariff rates applicable to the procurement class including approved Real Time Price or other time sensitive rates for the period being reconciled through the GSA.

Cost = The sum of the amounts paid to all of the full requirements suppliers providing the power for the period being reconciled, the spot market purchases for the period being reconciled, plus the cost of any other energy acquired for the period being reconciled. Cost shall include energy, capacity and ancillary services as well as the proceeds and costs of auction revenue rights for Procurement Classes 1 and 2. Ancillary services shall include any allocation by PJM to PECO default service associated with the failure of a PJM member to pay its bill from PJM as well as those costs listed in the Supply Master Agreement as the responsibility of the seller.

AEPS = The total cost of complying with the Alternative Energy Portfolio Standards Act ("AEPS" or the "Act") not included in the Cost component above for the reconciliation period for Procurement Classes 1 and 2 and not included in the ancillary services component for Procurement Class 3/4 Hourly Service. Costs include the amount paid for Alternative Energy and/or Alternative Energy Credits ("AEC's") purchased for compliance with the Act, the cost of administering and conducting any procurement of Alternative Energy and/or AEC's, payments to the AEC program administrator for its costs of administering an alternative energy credits program, payments to a third party for its costs in operating an AEC registry, any charge levied by PECO's regional transmission operator to ensure that alternative energy sources are reliable, a credit for the sale of any AEC's sold during the calculation period, and the cost of Alternative Compliance Payments that are deemed recoverable by the Commission, plus any other direct or indirect cost of acquiring Alternative Energy and/or AEC's and complying with the AEPS statute.

Administrative Cost = This includes the cost of the Independent Evaluator, consultants providing guidance on the development of the procurement strategy, legal fees incurred gaining approval of the strategy, and any other costs associated with designing and implementing a procurement plan including the cost of the pricing forecast necessary for estimating cost recoverable under this tariff. Also included in this component shall be the cost to implement real time pricing or other time sensitive pricing such as dynamic pricing that is required of the Company or approved in its Act 129 filing. Administrative Costs also includes other costs incurred to implement retail market enhancements directed by the Commission in its Retail Market Investigation at Docket No. I-2011-2237952 or any other applicable docket that are not recovered from EGS's or through another rate.

Full Requirements Supply = A product purchased by the Company that includes a fixed price for all energy consumed. The only cost added by the Company to the full requirements price is for gross receipts tax, distribution line losses, and administrative cost.

Ancillary Services = The following services in the PJM OATT- reactive support, frequency control, operating reserves, supplemental reserves, imbalance charges, PJM annual charges, any PJM assessment associated with non-payment by members, and any other load serving entity charges not listed here but contained in Exhibit D of the Supply Master Agreement. Also included shall be the proceeds and costs from the exercise of auction revenue rights for Procurement Class 3/4 Hourly Service.

(C) Denotes Change

PECO Energy Company

RECONCILIATION
(CONTINUED)

Auction Revenue Rights (ARR) = Allocated annually by PJM to Firm transmission customers, the ARR's allow a Company to select rights to specific transmission paths in order to avoid congestion charges.

Capacity = The amount charged to PECO by PJM for capacity for its default service load under the reliability pricing model (RPM).

I = interest on the over or under collection at the prime rate of interest for commercial banking, not to exceed the legal rate of interest, in effect on the last day of the month the over collection or under collection occurs, as reported in the Wall Street Journal in accordance with the Order at Docket No. L-2014-2421001.

S = Estimated default service retail sales in kWh for the period the cost of which is being reconciled.

ALL = The average line losses in a procurement class as a percent of generation.

LL = The average line losses for a particular rate (e.g. HT, PD, GS) as provided in the Electric Generation Supplier Coordination Tariff rule 6.6.

GRT = The current gross receipts tax rate.

Procurement Class - Set of customers for which the company has a common procurement plan.

Procedural Schedule

The Company shall file the calculation of the over/under collection for the period being reconciled and the proposed adjustment to the GSA 45 days before the effective date as described below. The over/under collection adjustment shall be effective no earlier than the first day of the month such that the commencement of recovery shall lag by five months for Procurement Classes 1 and 2 and two months for Procurement Class $\frac{3}{4}$ Hourly. For Procurement Classes 1 and 2, the GSA will be effective June 1 and December 1 commencing June 1, 2025 with over/under collection recovery occurring over the six month period beginning June 1 and December 1. For Procurement Class $\frac{3}{4}$ Hourly, the GSA will be effective June 1, September 1, December 1 and March 1 commencing June 1, 2025 with over/under collection recovery occurring over the six month period beginning September 1 and March 1. The data provided in the reconciliation shall be audited on an annual basis by the PaPUC Bureau of Audits.

(C) Denotes Change

Exhibit E
Revised Electric Service Tariff (Redline)

Supplement No. ~~X~~ to
ELECTRIC PA P.U.C NO. 7

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PECO Energy Company

Electric Service Tariff

COMPANY OFFICE LOCATION

2301 Market Street
Philadelphia, Pennsylvania 19103

For List of Communities Served, See Page 4.

Issued ~~June 26, 2024~~

Effective ~~June 1, 2025~~

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ISSUED BY: David M. Velazquez – President & CEO
PECO Energy Distribution Company
2301 MARKET STREET
PHILADELPHIA, PA. 19103

NOTICE

PECO Energy Company

Supplement No. ~~XX~~ to
Tariff Electric Pa. P.U.C. No. 7
~~XX~~ Revised Page No. 1
Supersedes ~~X~~ Revised Page No. 1

LIST OF CHANGES MADE BY THIS SUPPLEMENT

**GENERATION SUPPLY ADJUSTMENT FOR PROCUREMENT CLASSES 1 AND 2 LOADS UP TO 100KW –
X REVISED PAGE NO. 36, X REVISED PAGE NO. 37, X PAGE NO. 37A.**

Updated to reflect effective date of June 1, 2025 (DSP VI). Modified from quarterly rate adjustments to semi-annual rate adjustments occurring on June 1 and December 1, commencing June 2025 (DSP VI).

**GENERATION SUPPLY ADJUSTMENT FOR PROCUREMENT CLASS 3/4 LOADS GREATER THAN 100KW
X REVISED PAGE NO. 38.**

- Updated to reflect effective date of June 1, 2025 (DSP VI).

RECONCILIATION X REVISED PAGE NO. 39 AND X REVISED PAGE NO. 40

Updated to reflect effective date of June 1, 2025 (DSP VI). Modified from quarterly rate adjustments to semi-annual rate adjustments occurring on June 1 and December 1, commencing June 2025 (DSP VI).

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Clean-up page which reflects all rate changes effective January 1, 2024. ¶

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RATE R H RESIDENTIAL HEATING SERVICE– 13th Revised Page No. 52

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PECO Energy Company

Supplement No. ~~X~~ to
Tariff Electric Pa. P.U.C. No. 7
~~X~~ Revised Page No. 2
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Supplement No. X to
Tariff Electric Pa. P.U.C. No. 7
X Revised Page No. 36
Supersedes X Revised Page No. 36

PECO Energy Company

**GENERATION SUPPLY ADJUSTMENT FOR PROCUREMENT CLASSES 1 AND 2
LOADS UP TO 100KW**

Applicability: June 1, 2025 this adjustment shall apply to all customers taking default service from the Company with demands up to 100 kW. The rate contained herein shall be calculated to the nearest one thousandth of a cent. The GSA shall contain the cost of generation supply for each tariff rate. The Company will apply Standard Pricing unless customers voluntarily request and are eligible to participate in the Time-Of-Use Pricing Option as detailed below.

Standard Pricing: Standard Pricing provides default service to customers who have not selected or are not eligible for PECO's Time-Of-Use Pricing Option. The rates below shall include the cost of procuring power to serve the default service customers including the cost of complying with the Alternative Energy Portfolio Standards Act ("AEPS" or the "Act") plus associated administrative expenses incurred in acquiring power and gaining regulatory approval of any procurement strategy and plan. The standard pricing for default service will represent the estimate of the cost to serve the specific tariff rate for the next semi-annual period beginning with the six months ended November 30, 2025. The rates in this tariff shall be updated semi-annually on June 1 and December 1, commencing June 1, 2025, and are not prorated. If the balance of over/(under) recovery gets too large, the Company can file a reconciliation that will mitigate the subsequent impact. The standard generation service charge shall be calculated using the following formula:

Standard GSA(n) = (C-E+A)/S*(1-T)*(1-ALL)/(1-LL) + AEPS/S*(1 - T) + WC where;

C = The sum of the amounts paid to the full requirements suppliers providing the power for the semi-annual period, the spot market purchases for the semi-annual period, plus the cost of any other energy acquired for the semi-annual period. Cost shall include energy, capacity and ancillary services, distribution line losses, cost of complying with the Alternative Energy Portfolio Standards, and any other load serving entity charges other than network transmission service and costs assigned under the Regional Transmission Expansion Plan. Ancillary services shall include any allocation by PJM to PECO default service associated with the failure of a PJM member to pay its bill from PJM as well as the load serving entity charges listed in the Supply Master Agreement Exhibit D as the responsibility of the supplier. This component shall include the proceeds and costs from the exercise of Auction Revenue Rights granted to PECO by PJM.

AEPS = The projected total cost of complying with the Alternative Energy Portfolio Standards Act ("AEPS" or the "Act") not included in the C component above for the semi-annual period for each procurement class. Costs include the amount paid for Alternative Energy and/or Alternative Energy Credits ("AEC's") purchased for compliance with the Act, the cost of administering and conducting any procurement of Alternative Energy and/or AEC's, payments to the AEC program administrator for its costs of administering an alternative energy credits program, payments to a third party for its costs in operating an AEC registry, any charge levied by PECO's regional transmission operator to ensure that alternative energy sources are reliable, a credit for the sale of any AEC's sold during the calculation period, and the cost of Alternative Compliance Payments that are deemed recoverable by the Commission, plus any other direct or indirect cost of acquiring Alternative Energy and/or AEC's and complying with the AEPS statute.

E = Experienced over or under-collection calculated under the reconciliation provision of the tariff to be effective semiannually with recovery during the periods June 1 through November 30 of the current year and December 1 of the current year through May 31 of the following year.

A = Administrative Cost - This includes the cost of the Independent Evaluator, consultants providing guidance on the development of the procurement plan, legal fees incurred gaining approval of the plan and any other costs associated with designing and implementing a procurement plan including the cost of the pricing forecast necessary for estimating cost recoverable under this tariff. Also included in this component shall be the cost to implement real time pricing or other time sensitive pricing such as dynamic pricing that is required of the Company or is approved in its Act 129 filing. Administrative Costs also includes any other costs incurred to implement retail market enhancements directed by the Commission in its Retail Market Investigation at Docket No. I-2011-2237952 or any other applicable docket that are not recovered from EGSs or through another rate.

S = Estimated sales for the period the rate is in effect for the classes to which the rate is applicable. Six month sales are used for the E factor with effective periods June 1 through November 30 of the current year and December 1 of the current year through May 31 of the following year.

T = The currently effective gross receipts tax rate.

n = The procurement class for which the GSA is being calculated.

ALL = Average line losses for the procurement class.

LL = Line losses for the specific rate class provided in the Company's Electric Generation Supplier Coordination Tariff rule 6.6.

WC = \$0.00021/kWh to represent the cash working capital for power purchases.

Auction Revenue Rights (ARR) = Allocated annually by PJM to Firm transmission customers, the ARR's allow a Company to select rights to specific transmission paths in order to avoid congestion charges. In general, the line loss adjustment is applicable to Procurement Class 2 only as those classes contain rate classes with three different line loss factors: Current Charges:

Standard Rate		Standard GSA Price
R	GSA (1)	\$0.0000
RH	GSA (1)	\$0.0000
GS	GSA (2)	\$0.0000

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Supersedes X Revised Page No. 37

PECO Energy Company

**GENERATION SUPPLY ADJUSTMENT FOR PROCUREMENT CLASSES 1 AND 2
LOADS UP TO 100KW (CONTINUED)**

PD	GSA (2)	\$0. xxxxx
HT	GSA (2)	\$0. xxxxx
POL*	GSA (2)	\$0. xxxxx
SL-S*	GSA (2)	\$0. xxxxx
TLCL	GSA (2)	\$0. xxxxx
SL-E*	GSA (2)	\$0. xxxxx
AL*	GSA (2)	\$0. xxxxx
SL-C* **	GSA (2)	\$0. xxxxx

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* Prices shall exclude capacity from the Procurement Class 2 RFP results.
** Rate SL-C was effective July 1, 2019 pursuant to the Order at Docket No. R-2018-3000164

Procedure: For Procurement Classes 1 and 2 the GSA shall be filed 45 days before the effective dates of June 1 ~~and December 1~~ in conjunction with the Reconciliation Schedule.

Time-Of-Use (TOU) Pricing Option: The TOU Pricing Option provides eligible customers with an opportunity to shift energy usage away from peak periods, when wholesale electricity demand and prices are high, to off-peak periods, when demands and prices are lower. Customers may voluntarily request this option in lieu of Standard Pricing described above and must meet the TOU Eligibility Requirements below. (Customers electing this option are billed based on interval-metered consumption of usage within each TOU Pricing Period. Beginning and ending reads are not applicable TOU billing determinants.) Commencing ~~June 1, 2025~~, TOU Pricing Option rates will be updated ~~semi-annually~~ in concurrence with the Standard GSA on June 1 ~~and December 1~~ and are not prorated.

The year-round TOU Pricing Periods, TOU Period Allocators ["PA-GSA(n)"], and TOU Pricing Multipliers ["PM-GSA(n)"] from June 1, 2025 ~~through May 31, 2026~~, are as follows:

TOU Pricing Period	Days/Hours Included	TOU Period Allocator PA-GSA(1)	TOU Period Allocator PA-GSA(2)	TOU Pricing Multiplier PM-GSA(1) (Ratio to Super Off-Peak)	TOU Pricing Multiplier PM-GSA(2) (Ratio to Super Off-Peak)
Peak ("PP")	2:00 – 6:00 p.m. Monday through Friday, excluding PJM holidays	12%	14%	x-to-x	x-to-x
Super Off-Peak ("SOPP")	Midnight (12 a.m.) – 6 a.m. Every day	20%	20%	1-to-1	1-to-1
Off-Peak ("OPP")	All other hours	68%	66%	x-to-x	x-to-x

Commencing with the GSA and TOU rates effective June 1, 2022, PECO may update the TOU Pricing Multipliers in the above table annually, using a rolling five years of historical PJM Day-Ahead Spot Market Pricing energy data and Reliability Pricing Model capacity pricing data for the PECO zone. PECO will only update the applicable TOU Pricing Multipliers if the use of such data would result in no more than a 10% change from the prior-year's TOU Pricing Multipliers. If these updates would exceed 10%, the applicable TOU Pricing Multipliers will be changed by exactly 10%.

To calculate the ~~semi-annual~~ TOU Pricing Option rates, the Company will first calculate the ~~semi-annual~~ TOU Super Off-Peak Price ("SOPP") in accordance with the formula set forth below:

$$\text{TOU SOPP GSA}(n) = \text{Standard GSA}(n) * [1 / \text{SOPP-F}(n)] \text{ where:}$$

Standard GSA(n) = Defined as above for Standard Pricing.

SOPP-F(n) = Super Off-Peak Price Factor representing the ratio of the Standard GSA(n) to the Super Off-Peak Price, calculated as follows:

$$\text{TOU SOPP PA-GSA}(n) + [(\text{TOU OPP PM-GSA}(n) * \text{TOU OPP PA-GSA}(n))] + [(\text{TOU PP PM-GSA}(n) * \text{TOU PP PA-GSA}(n))]$$

The Company will then calculate the ~~semi-annual~~ TOU Peak ("PP") and Off-Peak ("OPP") prices as follows:

$$\text{TOU PP GSA}(n) = \text{TOU SOPP GSA}(n) * \text{TOU PP PM-GSA}$$

$$\text{TOU OPP GSA}(n) = \text{TOU SOPP GSA}(n) * \text{TOU OPP PM-GSA}$$

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**GENERATION SUPPLY ADJUSTMENT FOR PROCUREMENT CLASSES 1 AND 2
LOADS UP TO 100KW (CONTINUED)**

Current TOU Pricing Option Charges:

TOU Rate	Peak ("PP") (2-6 PM Monday-Friday, excluding holidays)	Super Off-Peak ("SOPP") (12-6 AM all days)	Off-Peak ("OPP") (All other times)
R (GSA 1)	\$0. xxxxx	\$0. xxxxx	\$0. xxxxx
RH (GSA 1)	\$0. xxxxx	\$0. xxxxx	\$0. xxxxx
GS (GSA 2)	\$0. xxxxx	\$0. xxxxx	\$0. xxxxx
PD (GSA 2)	\$0. xxxxx	\$0. xxxxx	\$0. xxxxx
HT (GSA 2)	\$0. xxxxx	\$0. xxxxx	\$0. xxxxx

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TOU Eligibility Requirements and Switching Rules:

The TOU Pricing Option is available to new and existing Customers in Procurement Classes 1 or 2 with a smart meter configured to measure energy consumption in watt-hours. This includes Customers in the above referenced Procurement Classes taking default service from the Company and who also participate in the Company's RS-2 (Net Metering) tariff, except for virtual net metered Customers. Residential Customers enrolled in the Company's Customer Assistance Program (CAP) are not eligible for the TOU Pricing Option.

As a prerequisite for enrollment, the Customer must have a valid e-mail address to ensure the Company is able to provide the enrolled TOU Pricing Option Customer with timely and meaningful communications regarding their bill savings performance.

Participating Customers will remain on the TOU Pricing Option rate until they affirmatively elect to return to PECO's Standard GSA rate, switch to an EGS, or otherwise become ineligible.

Customers who select the TOU Pricing Option may leave at any time without incurring related penalties or fees. However, Customers who select and subsequently leave the TOU Pricing Option for any reason may not re-enroll on the TOU Pricing Option rate for twelve billing months after switching off the TOU Pricing Option rate.

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X Revised Page No. 38
Supersedes X Revised Page No. 38

PECO Energy Company

**GENERATION SUPPLY ADJUSTMENT FOR PROCUREMENT CLASS 3/4
LOADS GREATER THAN 100KW**

Applicability: June 1, 2025 this adjustment shall apply to all customers taking default service from the Company with demands greater than 100 kw.

Hourly Pricing Service

Pricing: The rates below shall include the cost of procuring power to serve the default service customers plus associated administrative expenses incurred in acquiring power and gaining regulatory approval of any procurement strategy and plan. The rates for the GSA 3/4 Hourly Pricing Adder* shall be updated quarterly on June 1, September 1, December 1 and March 1 commencing June 1, 2025 and are not prorated. If the balance of over/(under) recovery gets too large due to billing lag, the Company can file a reconciliation that will mitigate the subsequent impact. The cost for this hourly service rate shall be as follows:

Generation Supply Cost (GSC) = (C+R+AS+AC-E)/(1-T)+WCA where;

C = The PJM day ahead hourly price multiplied by the customers usage in the hour summed up for all hours in the month

$$\Sigma \text{PJM}_{DA} \times \text{usage} / (1-\text{LL})$$

PJM_{DA} – PJM on day ahead hourly price.

Usage – Electricity used by an end use customer.

R = The PJM reliability pricing model (RPM) charge for month for the customer. The RPM charge shall be the customers peak load contribution as established for PJM purposes multiplied by the current RPM monthly charge and the PJM established reserve margin adjustment.

PLC x (1+ RM) x P_{RPM} x Bill Days

PLC = Peak load contribution

RM = Reserve margin adjustment per PJM

P_{RPM} = Capacity price per MW-day

AC = Administrative Cost - This includes an allocation of the cost of the Independent Evaluator, consultants providing guidance on the development of the procurement strategy, legal fees incurred gaining approval of the plan, and any other costs associated with designing and implementing a procurement plan divided by the total default service sales and then multiplied by the customers usage for the month. Administrative Costs also includes any other costs incurred to implement retail market enhancements directed by the Commission in its Retail Market Investigation at Docket No. 1-2011-2237952 or any other applicable docket that are not recovered from EGSs or through another rate.

A / S x Usage

A = Administrative cost

S = Default service sales

AS = The cost, on a \$/MWH basis, of acquiring ancillary services from PJM and of complying with the Alternative Energy Portfolio Standard, multiplied by the customers usage for the month and divided by (1-LL). Congestion charges including the proceeds and costs from the exercise of

Auction Revenue Rights shall be included in this component. Ancillary services shall be those included in the Supply Master Agreement as being the responsibility of the supplier.

$$((\text{PJM}_{AS} \times \text{Usage} * 1 / (1-\text{LL}) + \text{AEPS} / \text{S}_{\text{AEPS}} \times \text{Usage})$$

PJM_{AS} = \$/MWH charged by PJM for ancillary services

AEPS = Cost of complying with the alternative energy portfolio standard

S_{AEPS} = Sales for which AEPS cost is incurred

If the supplier provides the ancillary services and AEPS cost then the customer shall be charged the supplier's rate for these services times usage and divided by (1-LL).

Auction Revenue Rights (ARR) = Allocated annually by PJM to Firm transmission customers, the ARR's allow a Company to select rights to specific transmission paths in order to avoid congestion charges

LL = Line loss factor as provided in the Company's Electric Generation Supplier Coordination Tariff Rule 6.6 based upon the customers distribution rate class adjusted to remove losses included in the PJM LMP

T = The currently effective gross receipts tax rate

E = $\Sigma O(U) / S_{3/4} \times \text{usage}$ where

E (Purchased Generation Adj.) = Over/under recovery as calculated in the reconciliation

S_{3/4} = Procurement class 3/4 sales

WC = \$0.00021 kWh for working capital associated with power purchases

WCA = Individual customer sales x WC

Procedure: The "E" factor shall be updated semiannually in conjunction with the Reconciliation. The applicable above items are converted to the rates listed below.

Tariff Rate	GS	PD	HT	EP
Hourly Pricing Adder* (dollars/kWh)	\$0.xxxxx	\$0.xxxxx	\$0.xxxxx	\$0.xxxxx

* Includes administrative cost (AC), ancillary service charge (AS), E factor (E) and working capital (WC).

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X Revised Page No. 39
Supercedes X Revised Page No. 39

PECO Energy Company

RECONCILIATION

Applicability: June 1, 2025 this adjustment shall apply to all customers who received default service during the period the cost of which is being reconciled. Customers taking default service during the reconciliation period that leave default service prior to the assessment of the over/(under) adjustment shall still pay or receive credit for the over/(under) adjustment through the migration provision. The Company shall notify the Commission and parties to the Default Service Settlement 15 days in advance of the semi-annual, quarterly or monthly filing if the Migration Provision will be implemented in the filing.

This adjustment shall be calculated on a semiannual basis for Procurement Classes 1, 2 and 3/4 Hourly. The reconciliation period will include the six month period beginning January 1 and July 1 commencing with the July 1, 2024 through December 31, 2024. There will be a transition reconciliation period for Procurement Classes 1 and 2 effective June 1, 2025 through November 30, 2025. The reconciliation will be based on utilizing the December 31, 2024 over/(under) balance adjusted for prior period revenues from January 2025 through May 2025. The reconciliation shall be separate for each procurement class. Any resulting over or under recovery shall be assessed on an equal cents per kilowatt hour basis to all customers in the relevant procurement group. For Procurement Classes 1 and 2, any over/(under) recovery shall be collected after the occurrence of five months from the end of the reconciliation period. Recovery shall be over a six month period commencing June 1 and December 1. For Procurement Class 3/4 Hourly, any over/(under) recovery shall be collected after the occurrence of two months from the end of the reconciliation period. Recovery shall be over a six month period commencing September 1 and March 1. The initial six month period is June 1, 2025 through November 30, 2025. For purposes of this rider the reconciliation shall be calculated 45 days before the effective date of recovery. The over or under recovery shall be calculated using the formula below. The calculation of the over/(under) recovery shall be done separately for the following procurement classes – Class 1 – Residential, Class 2 – Small C&I up to and including 100 kW, and Class 3/4 – Large C&I greater than 100 kW. For Procurement Classes 1 and 2, Standard Pricing and TOU Pricing Option revenue and cost of supply will be included for the entire Procurement Class.

Reconciliation Formula

$$E_N = \sum O(U) + I$$

$$\text{Migration Provision } E_M = \sum O(U) + I/S(1-GRT)^*(1-ALL)/(1-LL)$$

Where:

- E** = Experienced over or under collection plus associated interest
- N** = Procurement class
- M** = Migration Rider
- O(U)** = The monthly difference between revenue billed to the procurement class and the cost of supply as described below in Cost, AEPS Cost and Administrative Cost.

Revenue = Amount billed to the tariff rates applicable to the procurement class including approved Real Time Price or other time sensitive rates for the period being reconciled through the GSA.

Cost = The sum of the amounts paid to all of the full requirements suppliers providing the power for the period being reconciled, the spot market purchases for the period being reconciled, plus the cost of any other energy acquired for the period being reconciled. Cost shall include energy, capacity and ancillary services as well as the proceeds and costs of auction revenue rights for Procurement Classes 1 and 2. Ancillary services shall include any allocation by PJM to PECO default service associated with the failure of a PJM member to pay its bill from PJM as well as those costs listed in the Supply Master Agreement as the responsibility of the seller.

AEPS = The total cost of complying with the Alternative Energy Portfolio Standards Act ("AEPS" or the "Act") not included in the Cost component above for the reconciliation period for Procurement Classes 1 and 2 and not included in the ancillary services component for Procurement Class 3/4 Hourly Service. Costs include the amount paid for Alternative Energy and/or Alternative Energy Credits ("AEC's") purchased for compliance with the Act, the cost of administering and conducting any procurement of Alternative Energy and/or AEC's, payments to the AEC program administrator for its costs of administering an alternative energy credits program, payments to a third party for its costs in operating an AEC registry, any charge levied by PECO's regional transmission operator to ensure that alternative energy sources are reliable, a credit for the sale of any AEC's sold during the calculation period, and the cost of Alternative Compliance Payments that are deemed recoverable by the Commission, plus any other direct or indirect cost of acquiring Alternative Energy and/or AEC's and complying with the AEPS statute.

Administrative Cost = This includes the cost of the Independent Evaluator, consultants providing guidance on the development of the procurement strategy, legal fees incurred gaining approval of the strategy, and any other costs associated with designing and implementing a procurement plan including the cost of the pricing forecast necessary for estimating cost recoverable under this tariff. Also included in this component shall be the cost to implement real time pricing or other time sensitive pricing such as dynamic pricing that is required of the Company or approved in its Act 129 filing. Administrative Costs also includes other costs incurred to implement retail market enhancements directed by the Commission in its Retail Market Investigation at Docket No. I-2011-2237952 or any other applicable docket that are not recovered from EGS's or through another rate.

Full Requirements Supply = A product purchased by the Company that includes a fixed price for all energy consumed. The only cost added by the Company to the full requirements price is for gross receipts tax, distribution line losses, and administrative cost.

Ancillary Services = The following services in the PJM OATT- reactive support, frequency control, operating reserves, supplemental reserves, imbalance charges, PJM annual charges, any PJM assessment associated with non-payment by members, and any other load serving entity charges not listed here but contained in Exhibit D of the Supply Master Agreement. Also included shall be the proceeds and costs from the exercise of auction revenue rights for Procurement Class 3/4 Hourly Service.

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PECO Energy Company

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Tariff Electric PA. P.U.C. No. 7
~~X Revised Page No. 40~~
~~Supersedes X Revised Page No. 40~~

RECONCILIATION
(CONTINUED)

Auction Revenue Rights (ARR) = Allocated annually by PJM to Firm transmission customers, the ARR's allow a Company to select rights to specific transmission paths in order to avoid congestion charges.

Capacity = The amount charged to PECO by PJM for capacity for its default service load under the reliability pricing model (RPM).

I = interest on the over or under collection at the prime rate of interest for commercial banking, not to exceed the legal rate of interest, in effect on the last day of the month the over collection or under collection occurs, as reported in the Wall Street Journal in accordance with the Order at Docket No. L-2014-2421001.

S= Estimated default service retail sales in kWh for the period the cost of which is being reconciled.

ALL = The average line losses in a procurement class as a percent of generation.

LL = The average line losses for a particular rate (e.g. HT, PD, GS) as provided in the Electric Generation Supplier Coordination Tariff rule 6.6.

GRT = The current gross receipts tax rate.

Procurement Class - Set of customers for which the company has a common procurement plan.

Procedural Schedule

The Company shall file the calculation of the over/under collection for the period being reconciled and the proposed adjustment to the GSA 45 days before the effective date as described below. The over/under collection adjustment shall be effective no earlier than the first day of the month such that the commencement of recovery shall lag by five months for Procurement Classes 1 and 2 and two months for Procurement Class 3/4 Hourly. For Procurement Classes 1 and 2, the GSA will be effective June 1 and December 1 commencing June 1, 2025 with over/under collection recovery occurring over the six month period beginning June 1 and December 1. For Procurement Class 3/4 Hourly, the GSA will be effective June 1, September 1, December 1 and March 1 commencing June 1, 2025 with over/under collection recovery occurring over the six month period beginning September 1 and March 1. The data provided in the reconciliation shall be audited on an annual basis by the PaPUC Bureau of Audits.

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Exhibit F

Electric Generation Supplier Coordination Tariff (Relevant Pages)

**Supplement No. X to
Tariff Electric Pa. P.U.C. No. 1S**

PECO ENERGY COMPANY

ELECTRIC GENERATION SUPPLIER COORDINATION TARIFF

COMPANY OFFICE LOCATION

2301 Market Street

Philadelphia, Pennsylvania 19103

Issued: June 26, 2024

Effective: June 1, 2025

**ISSUED BY: David M. Velazquez, – President & CEO
PECO Energy Distribution Company
2301 MARKET STREET
PHILADELPHIA, PA. 19103**

NOTICE.

**Supplement No. XX to
Tariff Electric Pa. P.U.C. No. 1S
XX Revised Page No. 1A**

PECO Energy Company Superseding XX Revised Page No. 1A

LIST OF CHANGES MADE BY THIS SUPPLEMENT

Rule 5.4.1, Arrangements with EGS Customers – X Revised Page No. 22

New rule added as per DSP VI settlement at Docket P-2024-3046008.

Rule 5.4.4, Fee Restrictions for Customers Transitioning into PECO's Customer Assistance Program ("CAP") – X Revised Page No. 22

New rule added as per DSP VI settlement at Docket P-2024-3046008.

**Supplement No. XX to
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XX Revised Page No. 2
Superseding XX Revised Page No. 2**

PECO Energy Company

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Issued June 26, 2024

Effective June 1, 2025

preceding process is complete, the Company will notify the Customer's prior EGS, via an EDI transaction, of the discontinuance of service to the Customer from that prior EGS.

5.3.4

(a) If a Customer contacts the Company to discontinue electric service at the Customer's then current location, and initiates a request for service at a new location in the Company's service territory, the Company will notify the current EGS, via an EDI transaction, of the Customer's discontinuance of service for the account at the Customer's old location. If relocating within the Company's service territory, the Company will seamlessly move the current EGS to the new location if all qualifications are met in accordance with PUC Order M-2014-2401085.

(b) If a Customer contacts the Company to discontinue electric service and indicates that the Customer will be relocating outside of the Company's service territory, the Company will notify the current EGS, via an EDI transaction, of the Customer's discontinuance of service for the account at the Customer's location.

5.4 Provisions relating to an EGS's Customers.

5.4.1 Arrangements with EGS Customers. EGSs shall be solely responsible for having appropriate contractual or other arrangements with their Customers necessary to implement Direct Access consistent with all applicable laws, PaPUC requirements, and this Tariff. The Company shall not be responsible for monitoring, reviewing or enforcing such contracts or arrangements.

Beginning June 1, 2025, consistent with Docket No. P-2024-3046008, EGSs shall not charge any early termination, cancellation or other add-on fees to customers transitioning to PECO's Customer Assistance Program ("CAP").

(C)

5.4.2 Transfer of Cost Obligations Between EGSs and Customers. Nothing in this Tariff is intended to prevent an EGS and a Customer from agreeing to reallocate between them any charges that this Tariff imposes on the EGS, provided that any such agreement shall not change in any way the EGS's obligation to pay such charges to the Company, and that any such agreement shall not limit the right of the Company to seek recourse directly from the EGS's Customer for any charges owed to the Company by the EGS Customer or preclude the termination or reconnection of the EGS Customer by the Company as provided in the Company's tariffs.

5.4.3. Return of Standard Offer Program ("SOP") Customers to Default Service. For all SOP contracts executed after June 1, 2025, the EGSs must automatically transfer SOP customers to Default PLR Service upon the expiration of the SOP contract unless the customer affirmatively elects to remain with the SOP EGS.

(C)

(C) Denotes Change

Exhibit G

Electric Generation Supplier Coordination Tariff (Redline)

Supplement No. ~~X~~ to
Tariff Electric Pa. P.U.C. No. 1S

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PECO ENERGY COMPANY

ELECTRIC GENERATION SUPPLIER COORDINATION TARIFF

COMPANY OFFICE LOCATION

2301 Market Street

Philadelphia, Pennsylvania 19103

Issued: ~~June 26, 2024~~

Effective: ~~June 1, 2025~~

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ISSUED BY: ~~David M. Velazquez~~, – President & CEO
PECO Energy Distribution Company
2301 MARKET STREET
PHILADELPHIA, PA. 19103

NOTICE.

Supplement No. ~~XX~~ to
Tariff Electric Pa. P.U.C. No. 1S
~~XX~~ Revised Page No. 1A

PECO Energy Company ~~Superseding~~ ~~XX~~ Revised Page No. 1A

LIST OF CHANGES MADE BY THIS SUPPLEMENT

Rule 5.4.1, Arrangements with EGS Customers – ~~X~~ Revised Page No. 22

New rule added as per DSP VI settlement at Docket P-2024-3046008.

Rule 5.4.4, Fee Restrictions for Customers Transitioning into PECO's Customer Assistance Program ("CAP") – ~~X~~ Revised Page No. 22

New rule added as per DSP VI settlement at Docket P-2024-3046008.

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Deleted: Modified to indicate that the list shall include monthly electric usage and registered demand data at the "Electric Choice ID" level, rather than at the account level.¶
Rule 5.1.3(a), Data Exchange – Changed Account Number to "Electric Choice ID.¶

¶
Rule 5.1.3(a), Data Exchange (continued) 5th Revised Page No. 18¶

Added "Old Customer Account Number" field to list in subpart (a) which also changed numbering. Changed Account Number to "Electric Choice ID. ¶

¶
Attachment A – Billing Specifications – 5th Revised Page No. 107¶

Cleaned up formatting and updated column headings.

Issued June 26, 2024

Effective June 1, 2025

Deleted: February 19, 2024

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**Supplement No. ~~XX~~ to
Tariff Electric Pa. P.U.C. No. 1S
~~XX~~ Revised Page No. 2
Superseding ~~XX~~ Revised Page No. 2**

PECO Energy Company

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Issued <u>June 26, 2024</u>	Effective <u>June 1, 2025</u>

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Supplement No. ~~XX~~ to
Tariff Electric Pa. P.U.C. No. 1S
~~X~~ Revised Page No. 22
Superseding ~~X~~ Revised Page No. 22

PECO Energy Company

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preceding process is complete, the Company will notify the Customer's prior EGS, via an EDI transaction, of the discontinuance of service to the Customer from that prior EGS.

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5.4.3. Return of Standard Offer Program ("SOP") Customers to Default Service. For all SOP contracts executed after June 1, 2025, the EGSs must automatically transfer SOP customers to Default PLR Service upon the expiration of the SOP contract unless the customer affirmatively elects to remain with the SOP EGS. (C)

(C) Denotes Change

Issued June 26, 2024 Effective June 1, 2025,

- Deleted: May 9, 2016
- Deleted: June 10, 2016

Exhibit H

Revised Residential Bill Format Change



An Exelon Company
Page 1 of 3

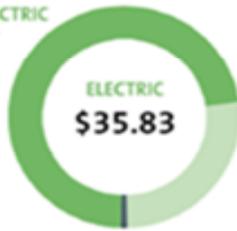
Name:
Account Number:
Phone Number:
Service Address:

Emergency and Repair

800-841-4141

This is the number to call to report power outages, gas leaks or odors, and safety hazards related to PECO Equipment.

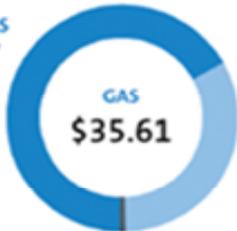
PECO ELECTRIC DELIVERY ELECTRIC SUPPLY



TAXES & FEES

Electric Supply Charges with Supplier E	PECO Electric Supply Charge to Compare*
\$9.58	\$15.73

PECO GAS DELIVERY GAS SUPPLY



TAXES & FEES

Gas Supply Charges with Supplier G	PECO Gas Supply Charge to Compare*
\$11.61	\$10.94

Billing Summary

Bill Date 10/14/2020
Thank you for your payment of \$166.71 on 10/05/2020

Current Period Charges

Electric \$35.83
Gas \$35.61

Total New Charges \$71.44

Total Amount Due on 11/05/2020 \$71.44

General Information

Next scheduled meter reading: 11/16/2020

1-800-494-4000

If you have any questions or concerns, please call 800-494-4000 before the due date. Si tiene alguna pregunta, favor de llamar al numero 1-800-494-4000 antes de la fecha de vencimiento.

peco.com/service

Customer Self Service - Manage Your Account 24/7
Start, stop and move your service

Online: peco.com

In Person: 2301 Market St., Philadelphia, PA 19103

By Phone: 1-800-494-4000

Return only this portion with your check made payable to PECO. Please write your account number on your check.



An Exelon Company
2301 Market Street
Philadelphia, PA 19103-1300

Pay Today!

peco.com/ebill

Go paperless: receive and pay your bill online.

0106404 01 AB 0.416 **AUTO T2 0 8902 19348-157814 -C32-B1-P06410-I



- Enroll in Automatic Payment. Complete form on reverse side.
- Pledge a donation to MEAF. Complete form on reverse side.

Account #

877-432-9384

Pay by phone, a convenience fee will apply.

Please pay this amount by 11/05/2020 \$71.44

Payment Amount \$



PECO - Payment Processing
PO Box 37629
Philadelphia, PA 19101-0629

003312715001000714403100071440

Statement A

**Statement in Support of Joint Petition for Non-Unanimous Settlement
of PECO Energy Company**

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**PETITION OF PECO ENERGY :
COMPANY FOR APPROVAL OF ITS : DOCKET NO. P-2024-3046008
DEFAULT SERVICE PROGRAM FOR :
THE PERIOD FROM JUNE 1, 2025 :
THROUGH MAY 31, 2029 :**

**STATEMENT OF PECO ENERGY COMPANY
IN SUPPORT OF THE JOINT PETITION FOR NON-UNANIMOUS SETTLEMENT**

July 10, 2024

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PETITION OF PECO ENERGY :
COMPANY FOR APPROVAL OF ITS : **DOCKET NO. P-2024-3046008**
DEFAULT SERVICE PROGRAM FOR :
THE PERIOD FROM JUNE 1, 2025 :
THROUGH MAY 31, 2029 :

**STATEMENT OF PECO ENERGY COMPANY
IN SUPPORT OF THE JOINT PETITION FOR NON-UNANIMOUS SETTLEMENT**

I. INTRODUCTION

On July 10, 2024, PECO Energy Company (“PECO” or the “Company”), the Office of Consumer Advocate (“OCA”), the Office of Small Business Advocate (“OSBA”), the Energy Justice Advocates (“EJA”),¹ and the Tenant Union Representative Network and Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (together “TURN/CAUSE-PA”) (collectively, the “Joint Petitioners”) filed with the Pennsylvania Public Utility Commission (the “Commission”) a Joint Petition for Non-Unanimous Settlement (“Joint Petition”) in the above-captioned proceeding.² This Statement in Support (this “Statement”) is filed pursuant to Paragraph 72 of the Joint Petition.

The settlement set forth in the Joint Petition (the “Settlement”) was reached after an extensive investigation by the parties of PECO’s proposed Default Service Program for the period June 1, 2025 to May 31, 2029 (“Original DSP VI Proposal”), which included substantial

¹ EJA consists of POWER Interfaith, Vote Solar, Clean Air Council, Sierra Club, Physicians for Social Responsibility Pennsylvania, and Penn Environment.

² Calpine Retail Holdings, LLC, Constellation Energy Generation, LLC and Constellation NewEnergy Inc., and the Philadelphia Area Industrial Energy Users Group, which are parties to this proceeding, have authorized the Joint Petitioners to represent that they do not oppose the Settlement. The Retail Energy Supply Association (“RESA”) and NRG Inc. (“NRG”) are the only parties to this proceeding that have indicated they oppose the Settlement. PECO will address any issues that may be raised by RESA and NRG in opposition to the Settlement in briefing.

discovery, the submission of direct, rebuttal and surrebuttal written testimony, two public input hearings, and an evidentiary hearing. In addition, the parties engaged in discussions and negotiations about the terms of the Settlement over an extended period.

PECO is in full agreement with each of the reasons the Joint Petitioners stated that the Settlement is in the public interest. In this Statement, following a summary of the Settlement, PECO offers additional reasons why the Settlement is in the public interest and should be approved.

II. SUMMARY OF THE SETTLEMENT

In the Original DSP VI Proposal, PECO proposed to continue most of the existing plans and programs approved by the Commission in PECO's fifth default service proceeding ("DSP V")³ with four principal changes. First, PECO proposed to conduct a procurement of up to 20 MW of long-term contracts for energy, capacity, and alternative energy credits ("AECs") from one or more solar facilities in Pennsylvania to offset a portion of the default service energy and capacity that PECO currently procures from the spot market operated by PJM Interconnection, L.L.C. ("PJM").⁴ Second, PECO proposed to incorporate a Capacity Proxy Price ("CPP") mechanism into the Company's Supplier Master Agreement ("SMA"). The CPP will be used for default service solicitations in DSP VI to establish a capacity cost when PJM does not conduct its Base Residual Auction ("BRA") for capacity in time for default service suppliers to incorporate the auction results into their bids. Third, PECO proposed to implement a reserve price for the residential fixed-price full requirements ("FPFR") contracts procured by PECO to help protect customers from paying high prices for FPFR products that could be considered outside of a

³ See *Petition of PECO Energy Co. for Approval of Its Default Serv. Program for the Period from June 1, 2021 through May 31, 2025*, Docket No. P-2020-3019290 (Opinion and Order entered Dec. 3, 2020) ("DSP V Order").

⁴ Tr. 455-56, 458-61 (Dalessio). This procurement would be in place of the doubling of the amount of solar AECs procured through long-term (10-year) contracts that PECO originally proposed in the DSP VI Petition. See PECO St. 1, pp. 8-9.

reasonable market range. Finally, PECO proposed to increase the limit on the amount of default supply that a bidder can offer and win for the Consolidated Large Commercial and Industrial (“C&I”) procurement class.

Under the Settlement, PECO’s Default Service Program (“Revised DSP VI”) is generally consistent with many features of the Original DSP VI Proposal. As originally proposed, PECO’s Revised DSP VI will have a four-year term, beginning June 1, 2025 and ending May 31, 2029. PECO’s default service customers will remain divided into three procurement classes: the Residential Class, the Small Commercial Class, and the Consolidated Large C&I Class. PECO will also maintain the same procurement class definitions that were approved by the Commission in the DSP V Order.

For the Residential Class, PECO will continue to procure a mix of one-year and two-year FPCR products of which approximately 99% of the supply will be in the form of one-year and two-year FPCR products, with six-month spacing between the commencement of contract delivery periods. During the Revised DSP VI period, the remaining approximately 1% of Residential Class load will be supplied through and directly by PJM’s spot energy, capacity, and ancillary service markets offset by the long-term solar procurement discussed in Paragraphs 21 through 25 of the Joint Petition. The Small Commercial Class load will continue to be supplied by equal shares of one-year and two-year FPCR products. Finally, with respect to the Consolidated Large C&I Class, PECO will continue to solicit hourly-priced contracts for full requirements products for all default service supply.

Each of the contracts for the Residential and Small Commercial Classes will be procured through a competitive sealed-bid request for proposals (“RFP”) process approximately two months prior to delivery of energy under the contract, with hourly-priced contracts for the Consolidated Large C&I Class procured annually. In order to facilitate selection and transfer of

PJM Auction Revenue Rights (“ARRs”) to wholesale default service suppliers under the procurement schedule, PECO will continue to employ a consultant for ARR analysis and selection.

PECO will continue to satisfy its obligations under Pennsylvania’s Alternative Energy Portfolio Standards (“AEPS”) Act⁵ with respect to sales to default service customers by requiring each full requirements default service supplier to transfer Tier I and Tier II AECs to PECO corresponding to PECO’s AEPS obligations associated with the amount of default service load served by that supplier, less any AECs PECO may allocate from its separate AEC procurements as in DSP V. The Joint Petitioners agreed to continuation of the DSP V form of SMA, with modifications to allow a CPP mechanism in PECO’s default service solicitations to address potential delays in PJM auctions under its Reliability Pricing Model (“RPM”) during the DSP VI term and eliminate the need for bidders to add risk premiums if a portion of a FPFR product would extend into an unpriced capacity period. The Joint Petitioners further reached agreement on other procurement-related issues, including continuation of the contingency plans approved in prior default service programs for unsuccessful procurements and wholesale supplier defaults and the appointment of NERA Economic Consulting (“NERA”) as an independent third-party evaluator of PECO’s default service procurements.

Under the Settlement, PECO will also procure – through 10-year, fixed-price power purchase agreements (“PPAs”) – the energy, capacity, and solar AECs generated by one or more new in-state solar photovoltaic projects with total capacity of up to 25 MW. The winning project(s) will be selected through a competitive procurement process in which PECO will seek 25 MW (DC) of solar capacity but will have flexibility to enter into agreements with multiple projects totaling 25 MW (DC) with a minimum project size of 5 MW (DC). The energy

⁵ 73 P.S. §§ 1643.1 et seq.

generated by the selected project(s) will be used to offset the spot purchases for the residential customer class as proposed under DSP VI and the AECs from the project will be used to meet the AEPS requirements associated with the default service residential customer load served directly by PECO. This solar energy procurement would be in place of the doubling of the amount of solar AECs procured through long-term (10-year) contracts proposed in PECO's initial filing. The Joint Petitioners have agreed that PECO shall submit a form solar PPA and a related request for proposals ("Solar RFP") to the Commission for approval within forty-five (45) days of a Commission order approving the Settlement after conferring in good faith with the Joint Petitioners regarding the terms of the Solar RFP and PPA, which shall be substantially similar to the solar RFP and PPA approved by the Commission in Docket No. P-2021-3030012. The parties to this proceeding shall have the right to file comments on PECO's proposed Solar RFP and PPA within thirty (30) days after PECO's filing of the Solar RFP and PPA with the Commission.

In addition, the Joint Petitioners agreed upon tariff and rate design changes to implement the Revised DSP VI. Under the Settlement, PECO will adjust default service rates for the Residential and Small Commercial classes on a semi-annual instead of quarterly basis. As originally proposed, PECO will continue semi-annual reconciliation of the over/undercollection component of the Generation Supply Adjustment ("GSA") for all default service customers. PECO will continue to be responsible for and recover the PJM charges specified in the Company's Non-Bypassable Transmission Charge ("NBT") and will continue to recover Non-Firm Point-to-Point Transmission costs associated with default service customers through its bypassable Transmission Service Charge ("TSC"). Finally, the Joint Petitioners agreed to PECO's originally proposed optional TOU rates for the Residential and Small Commercial Classes with additional commitments by PECO related to evaluation of TOU rate structures in

future proceedings, disclosures on PECO's TOU webpage, and outreach to confirmed low-income ("CLI") TOU participants.

PECO will continue its existing Commission-approved Electric Generation Supplier ("EGS") Standard Offer Program ("Standard Offer Program" or "SOP") until May 31, 2029 unless the Commission orders the program to be terminated sooner. Under the Settlement, PECO's EGS Coordination Tariff ("Supplier Tariff") will also include a new rule for all SOP contracts executed after June 1, 2025 requiring EGSs to automatically transfer SOP customers to default service upon the expiration of the SOP contract unless the customer affirmatively elects to remain with the SOP supplier.

The Joint Petitioners also resolved issues related to residential bill improvements and the enrollment process for PECO's Customer Assistance Program ("CAP"). The Joint Petitioners agreed to a modified version of PECO's originally proposed bill format change that removes the third column of a new graphic display of price information. Under the Settlement, by June 1, 2025, PECO will also take several actions to assist customers who are transitioning to PECO's CAP and are therefore no longer eligible for EGS supply. In addition, the Company's Supplier Tariff will include a new rule prohibiting EGSs from charging early cancellation, termination, or other fees to any shopping customer transitioning to PECO's CAP.

III. THE SETTLEMENT IS IN THE PUBLIC INTEREST AND FULLY SATISFIES THE REQUIREMENTS OF THE COMPETITION ACT AND THE COMMISSION'S DEFAULT SERVICE REGULATIONS

Under the Electricity Generation Customer Choice and Competition Act, 66 Pa.C.S. §§ 2801 *et seq.* (the "Competition Act"), PECO, as a Pennsylvania electric distribution company ("EDC") and default service supplier, has a fundamental obligation to provide competitively procured, reliable electric generation service to default service customers

at least cost over time.⁶ PECO's Revised DSP VI – its sixth default service program – contains all of the elements required by the Commission's default service regulations (52 Pa. Code §§ 54.181-54.190) and its Policy Statement on Default Service (52 Pa. Code §§ 69.1801-69.1817), including implementation plans, procurement plans, contingency plans, rate design plans, and associated tariff pages.

As described in the Settlement and in this Statement, PECO's Revised DSP VI is designed to obtain a competitively procured “prudent mix” of contracts as required by the Public Utility Code. As in all of its prior default service programs, PECO will use FPFR contracts to obtain default service generation supply in light of the numerous benefits of FPFR contracts for customers. *See* PECO St. 3, pp. 10-11, 16-18, 29-32. PECO's Revised DSP VI default service portfolios, which build on the success of PECO's prior default service programs, will continue to support the competitive retail market while providing customers with significant protection against changing market conditions and an appropriate degree of rate stability consistent with the objectives of the Competition Act. *See* PECO St. 3, pp. 10-11, 36-44; PECO St. 3-R, pp. 15-18. Accordingly, and as described in detail below, PECO's Revised DSP VI fully satisfies each of the requirements of the Competition Act and the applicable Commission regulations on default service and should be approved.

A. PECO's Procurement Classes Are Appropriate and in the Public Interest

The Commission's regulations (52 Pa. Code § 54.187) and Policy Statement (52 Pa. Code § 69.1805) provide that default service providers should design procurement classes based upon peak loads of 0-25 kW, 25-500 kW, and 500 kW and greater, but default service providers may propose to depart from these specific ranges, including to “preserve existing customer classes.”⁷

⁶ 66 Pa. C.S. § 2807(e)(3.4).

⁷ *See* 52 Pa. Code § 69.1805.

In the Settlement, the Joint Petitioners agree to PECO's originally proposed DSP VI procurement classes: the Residential Class, the Small Commercial Class, and the Consolidated Large C&I Class. Joint Petition, ¶¶ 14-17. Each procurement class is comprised of established rate schedules under PECO's tariff and reflects differences between the classes with respect to customer usage and shopping patterns. The separation of the Residential and Small Commercial procurement classes reflects the different characteristics of those classes and reduces the potential that changes in shopping trends in one customer group will result in a higher default service price for the other customer group. PECO St. 1, pp. 10-11. In addition, the consolidation of all customers receiving hourly-priced default service into a single procurement group – the Consolidated Large C&I Class – reflects similarities in shopping trends, streamlines the Company's competitive solicitation process, and simplifies the reconciliation of over/undercollection of default service costs. *Id.*, p. 11. In order to implement the procurement classes under the Settlement, the Joint Petitioners have requested that, if necessary, the Commission grant PECO a waiver of the specific peak load class criteria in 52 Pa. Code § 54.187. Joint Petition, ¶ 70.

B. The Length of the Revised DSP VI Procurement Plan Is Proper

The Commission's regulations provide that the term of a default service program subsequent to the initial program will be determined by the Commission.⁸ In the Settlement, the Joint Petitioners agreed to PECO's original proposal for a four-year DSP VI term. *See* Joint Petition, ¶ 13. The Revised DSP VI term is reasonable because, as the Commission noted in the DSP V Order (pp. 30-31), a longer program would minimize future litigation expenses and reduce administrative costs. PECO St. 1, p. 7.

⁸ *See* 52 Pa. Code § 54.182(d).

C. The Procurement Plan For the Residential Customer Class Is in the Public Interest

In its Original DSP VI Proposal, PECO proposed to continue the procurement design established in DSP V with 99% of the total portfolio comprised of a mix of one-year (38%) and two-year (61%) FPFR products with delivery periods that overlap on a semi-annual basis. Under the Original DSP VI Proposal, PECO proposed to continue to procure the remaining approximately 1% of Residential Class supply directly from the wholesale energy markets operated by PJM. PECO St. 1, pp. 15-16.

The OCA supported PECO's proposal to procure one- and two-year FPFR products for residential default service customers. OCA St. 1, pp. 10-11. EJA objected to PECO's proposed residential procurement plan, contending that PECO should instead undertake a new, multi-year "Renewable Energy Procurement" Program or "RESP" during DSP VI to serve residential default service load using long-term contracts for the energy and AECs from over 500 MW of "zero emission" energy facilities. *See generally* EJA St. 1. In response to the OCA's rebuttal testimony, EJA modified its RESP proposal, recommending that PECO use the energy under EJA's proposed contracts to first replace the 0.8% of load that the Company serves through spot energy purchases and thereafter require PECO to reduce the number of tranches served by FPFR suppliers in future procurements under DSP VI as more long-term contracts were executed. EJA St. 1-SR, pp. 6-8. PECO would also be responsible for managing the differences between the intermittent energy supply delivered under EJA's proposed contracts and actual default service customer loads through spot market purchases and sales. *Id.*

In response to EJA's revised proposal, and in light of the testimony of other parties and customers at the public input hearings, at the evidentiary hearing, PECO agreed to solicit up to 20 MW of energy and AECs from solar facilities in Pennsylvania and use that output to offset the amount of spot energy PECO now procures to serve 0.8% of residential default service

customer load. Tr. 455-461 (Dalessio). However, PECO continued to oppose the remainder of EJA's proposal in light of the costs and risks of moving to a portfolio with 7% long-term zero-emission contracts, including the likelihood of locking in higher costs and pricing volatility for default service customers. *Id.*; *see also* PECO St. 3-R, pp. 43-51; PECO St. 3-SR, pp. 1-11.

In addition, under the Settlement, PECO will use the energy and capacity purchased under 10-year solar PPAs to offset the spot purchases for the Residential Class during DSP VI. *See* Joint Petition, ¶¶ 21-25. The Joint Petitioners also agree to PECO's original proposed Residential Class portfolio, including PECO's original proposal to procure all FPFRR contracts approximately two months prior to delivery of the energy in March or September of each year of the Revised DSP VI procurement plan. *See* Joint Petition, ¶¶ 18-19; PECO Ex. SD-1. In order to facilitate selection and transfer of PJM ARRs to wholesale default service suppliers, the Joint Petitioners also agree that PECO will continue to employ a consultant for ARR analysis and selection. *See* Joint Petition, ¶ 19.

In sum, the Settlement continues PECO's basic DSP VI procurement strategy that has attracted robust, competitive participation in PECO's procurements, resulted in reasonable prices, provided price stability benefits for residential customers, and supported the competitive retail electricity market in PECO's service area. *See* PECO St. 3, pp. 10-33. The use of one- and two-year FPFRR products will continue to provide an appropriate level of price stability, which the Commission is required to consider under the Competition Act.⁹ The Residential Class procurement plan thus fully complies with the Competition Act's requirement to competitively procure a "prudent mix" of supply resources designed to ensure "adequate and reliable service" at the "least cost to customers over time."¹⁰ In addition, the Settlement resolves differences

⁹ *See Implementation of Act 129 of October 15, 2008; Default Serv. and Retail Elec. Mkts.*, Docket No. L-2009-2095604 (Final Order entered Oct. 4, 2011), p. 40.

¹⁰ *See* 66 Pa.C.S. §§ 2807(e)(3.1), (3.2), (3.4).

between PECO and EJA regarding the long-term procurement of residential default supply from “zero emission” energy sources.

D. The Procurement Plan for the Small Commercial Customer Class Is in the Public Interest

Consistent with the Original DSP VI Proposal, PECO will continue the DSP V mix consisting of equal shares of one-year and two-year FPFR products, with six-month spacing between the commencement of contract delivery periods. Joint Petition, ¶¶ 26-27. PECO will procure the FPFR products for Small Commercial customers in the same manner as the Residential Class. *See* PECO Ex. SD-1.

Like the Residential Class, the portfolio of FPFR products for Small Commercial customers constitutes a “prudent mix” of supply resources as required by the Competition Act. The use of one- and two-year FPFR products for the Small Commercial Class under the Settlement provides price stability benefits for all small non-residential customers. PECO St. 3, p. 40; OSBA St. 1, pp. 2-3.

E. The Procurement Plan for the Consolidated Large Commercial and Industrial Customer Class Is in the Public Interest

The Settlement adopts PECO’s original proposal to continue to procure hourly-priced full requirements products annually, in March, for all default service supply for the Consolidated Large C&I Class. *See* Joint Petition, ¶¶ 28-29; PECO St. 3, p. 8; PECO Ex. SD-1. Similar to the Residential and Small Commercial Class procurement plans, the Settlement’s procurement plan for these customers complies with the Competition Act’s requirements.

F. The Settlement Establishes a Competitive Procurement Process

The Commission’s regulations require that a default service plan include copies of agreements to be used in the procurement of electric generation supply for default service customers, including SMAs and RFPs. 52 Pa. Code § 54.185(e)(6). In the Original DSP VI

proposal, PECO proposed that all procurements would continue to be administered by NERA using a competitive, sealed-bid RFP process. *See* PECO St. 1, p. 22.

In the Settlement, the Joint Petitioners agreed to PECO's original proposal for a competitive, sealed-bid RFP process and the form SMA that suppliers will be required to execute set forth in PECO Exhibit SD-2. Joint Petition, ¶¶ 30-35. Consistent with Section 54.185(e)(4) of the Commission's regulations, suppliers will bid on "tranches" corresponding to a percentage of the actual default service customer load. Winning suppliers will be obligated to supply full requirements load-following service, which includes energy, capacity, ancillary services, and all other services or products necessary to serve a specified percentage of PECO's default service load in all hours during the supply product's delivery period.¹¹ *See* PECO St. 1, pp. 12-13; PECO Ex. SD-2.

In addition, the Settlement adopts PECO's CPP and true-up mechanism to address potential delays in capacity auctions held under PJM's RPM during the DSP VI term. The CPP would be calculated as the average of the most recent results under PJM's RPM from the two most recent delivery years for which PJM has held a capacity auction. Commencing at the start of the delivery year for which the BRA results were not known, winning suppliers will be debited or credited (as applicable) any differences between the CPP and the actual PJM capacity price. This certainty eliminates the need for bidders to add premiums into their bids and may also lead to increased participation and competition in PECO's solicitations to the benefit of default service customers. *See* PECO St. 1, pp. 21-22; PECO St. 4, pp. 18-19, PECO St. 4-R, pp. 18-19, 23-24. Notably, the Commission has approved the use of a CPP in default service

¹¹ PECO remains responsible for all distribution services to its default service customers, as well as the transmission costs described in Section III.H. below.

procurements for FE-PA¹² and Duquesne Light Company, finding that such approach would maintain diversity of supply products while also mitigating risk premiums.¹³

For DSP VI, PECO originally proposed to include a reserve price for each residential FPFPR product in the post-solicitation report provided to the Commission by the Independent Evaluator. PECO St. 1, p. 23, PECO St. 3, pp. 33-34; PECO St. 4, pp. 14-15. The OCA objected to PECO's proposal without additional information on how the reserve price would be determined and recommended associated changes to PECO's contingency plan if the Commission approved such an element in PECO's competitive bid process. OCA St. 1, pp. 22-26. To address the OCA's concern, PECO agreed to withdraw its reserve price proposal under the Settlement. *See* Joint Petition, ¶ 33, Exs. B and C.

The RFP documents set forth in Exhibit Nos. B and C to the Joint Petition are based on the DSP V RFP documents that have yielded competitive outcomes, with modifications to reduce uncertainty for bidders and conduct solicitations more efficiently. *See* PECO St. 4, pp. 13-18. Accordingly, the comprehensive RFP documents agreed to by the Joint Petitioners satisfy the Competition Act's requirements of a competitive procurement process, with prudent steps to negotiate favorable generation supply contracts and obtain contracts at least cost.¹⁴ The Joint

¹² *See Joint Petition of Metro. Edison Co., Pennsylvania Electric Co., Pennsylvania Power Co., and West Penn Power Co. for Approval to Modify their Supplier Master Agreement*, Docket Nos. P-2020-3021424, P-2020-3021425, P-2020-3021426, and P-2020-3021427 (Order entered Oct. 13, 2020), p. 9; *Petition of Metro. Edison Co., Pennsylvania Electric Co., Pennsylvania Power Co., and West Penn Power Co. for Approval of their Default Service Plan for the Period from June 1, 2023 through May 31, 2027*, Docket Nos. P-2021-3030012 et al. (Recommended Decision issued June 29, 2022) ("FE-PA DSP VI Recommended Decision"), pp. 59-60. The FE-PA DSP VI Recommended Decision was adopted without modification by the Commission in its Order entered August 4, 2022 at Docket Nos. P-2021-3030012 et al.

¹³ *See Petition of Duquesne Light Co. for Approval to Modify its Supplier Master Agreement*, Docket No. P-2020-3023149 (Order entered Jan. 14, 2021), p. 4.

¹⁴ 66 Pa.C.S. § 2807(e)(3.7).

Petitioners also agreed on a process for submitting the form solar RFP and PPA for Commission approval.¹⁵

G. Other Procurement and Implementation Plan Requirements

The Settlement also includes agreement among the Joint Petitioners regarding other procurement and implementation plan components.

AEPS Compliance. Both the Competition Act and the AEPS Act require default service providers, such as PECO, to obtain an increasing percentage of electricity sold to retail customers from alternative energy sources as measured by AECs.¹⁶ The AEPS Act also includes a “set-aside” that requires some of those AECs to be derived from solar photovoltaic (“PV”) facilities. Under Act 40 of 2017 (“Act 40”), PECO must meet its future solar AEPS requirements using solar AECs generated from solar energy facilities in the Commonwealth. During DSP VI, PECO’s solar AEPS requirement will be 0.5% of its total default service load.¹⁷

The Settlement provides that PECO will continue to meet its AEPS Act obligations primarily through a combination of full requirements products and existing long-term contracts for solar AECs, with new solar AECs to meet the requirements of the residential default service customer class procured through new long-term agreements for solar energy, capacity, and AECs. Consistent with DSP V, PECO will require each full requirements default service supplier to transfer Tier I (including solar PV) and Tier II AECs to PECO corresponding to PECO’s AEPS obligations associated with the amount of default service load served by that supplier. A default service supplier’s solar AEC obligation would be reduced by solar AECs

¹⁵ The Commission has permitted the subsequent development and approval of pro forma solar power purchase agreements used for default service supply after approval of a default service program. *See Petition of Duquesne Light Co. for Approval of its Default Serv. Plan for the Period from June 1, 2021 through May 31, 2025*, Docket No. P-2020-3019522 (Opinion and Order entered Jan. 14, 2021), p. 82.

¹⁶ *See* 66 Pa.C.S. § 2807(e)(3.6); 73 P.S. §§ 1648.1 et seq.

¹⁷ 73 P.S. § 1648.3(b)(2)(xv).

procured directly by PECO and allocated to the supplier. *See* Joint Petition, ¶ 36; PECO St. 1, p. 14. By adopting a new additional RFP process for 25 MW of solar energy, capacity and AECs, the Settlement resolves issues between PECO and EJA regarding the Company's plan to meet its AEPS obligations associated with residential default service load during DSP VI. *See generally* PECO St. 3-R; EJA St. 1-SR; Tr. 453-61, 465-73 (Dalessio).

Contingency Plans. In accordance with the Commission's regulations at 52 Pa. Code § 54.185(e)(5), the Settlement appropriately provides for continuation of PECO's contingency plans approved by the Commission in PECO's prior default service programs. Joint Petition, ¶¶ 37-38. This provision of the Settlement represents a compromise between PECO and the OCA, which had recommended adding block energy purchases to PECO's contingency plan to minimize the amount of time that residential default service customers are supplied by spot market purchases. *See* OCA St. 1, pp. 17-19, OCA St. 1-SR, p. 11.

Load Cap. In the DSP V Order (p. 14), the Commission approved a limit of 50% on the amount of default service supply that any single supplier could provide to a procurement class. As in DSP V, all suppliers will be subject to a 50% load cap for the Residential and Small Commercial Classes. In PECO's DSP VI, PECO proposed a 75% load cap for the Consolidated Large C&I Class. An increase in the load cap for this customer class may improve participation and lead to an increase in the number of bids competing for available tranches because bidders typically bid up to the load cap. Joint Petition, ¶ 28, Ex. B; PECO St. 4, pp. 6-8.

Independent Evaluator. The Commission's default service regulations provide that the competitive bid solicitation process shall be subject to monitoring by the Commission or an independent third party selected by a default service provider in consultation with the Commission. *See* 52 Pa. Code § 54.186(c)(3). The Joint Petitioners agree to the appointment of

NERA to continue as independent evaluator for PECO's default service procurements, in addition to the new solar procurement. Joint Petition, ¶ 35.

Absence of Withholding of Generation. In considering the approval of a default service program, the Public Utility Code requires the Commission to find that neither the default service provider nor any affiliated interest has withheld from the market any generation supply in a manner that violates federal law.¹⁸ PECO does not own and has not withheld any generation supply in violation of federal law. PECO St. 1, p. 31.

H. The Settlement Will Establish a Fair and Reasonable Rate Design That Complies Fully with the Commission's Regulations and Policy Statement on Default Service

In its Original DSP VI Proposal, PECO proposed to maintain its current rate design, including continuing its current time-of-use rate options discussed in Section III.I below. The rate design set forth in the Settlement fully complies with the Commission's default service regulations and the Public Utility Code, whereby PECO recovers default service costs from default service customers through the GSA and TSC. Consistent with the Public Utility Code and the Commission's default service regulations, PECO proposed to continue to project and adjust default service rates for the Residential and Small Commercial Classes established pursuant to the GSA on a quarterly basis and to reconcile the over/undercollection component of the GSA (known as the "E-Factor") on a semi-annual basis. PECO St. 2, pp. 3-5.

The default service rates for the Consolidated Large C&I Class will continue to be based upon the price paid to winning suppliers in PECO's hourly-priced default service procurements, which includes the PJM day-ahead hourly locational marginal price for the PJM PECO Zone, plus associated costs, such as capacity, ancillary services, PJM administrative expenses and AEPS compliance costs ("Hourly Pricing Adder"). To align the filing schedule for the

¹⁸ See 66 Pa.C.S. § 2807(e)(3.7)(iii).

Consolidated Large C&I default service rates with PECO's other procurement classes, PECO proposed to continue to file the Hourly Pricing Adder and to reconcile the E-Factor on a quarterly and semi-annual basis, respectively, instead of a monthly basis. *Id.*, pp. 5-6. In addition, PECO proposed to continue to be responsible for and recover the same categories of PJM charges approved by the Commission in the Company's DSP V proceeding for recovery through its NBT and TSC. *See* PECO St. 1, pp. 13-14.

The OCA supported semi-annual reconciliation of the E-Factor, but recommended reducing the overall frequency of residential default service rate changes from quarterly adjustments to semi-annual adjustments on June 1 and December 1 of each year. The OCA also proposed semi-annual E-Factor reconciliation using a twelve-month refund or recovery period. *See* OCA St. 1, pp. 30-31; OCA St. 1-SR, pp. 3-6.

The Settlement adopts PECO's original proposed rate design, with one modification to change from a three-month to six-month GSA projection period for the Residential and Small Commercial Classes to align with the Company's semi-annual procurements for FPFR contracts with delivery periods starting June 1 and December 1. Joint Petition, ¶ 40. Under the Settlement, the Joint Petitioners agree that PECO shall be permitted to file the GSA and Reconciliation tariff pages set forth in Exhibits D and E to the Joint Petition to become effective June 1, 2025. Joint Petition, ¶ 43.

This rate design resolves the differences between PECO and the OCA on adjustment and reconciliation of PECO's default service rates. Billing cycle lag results in a timing difference between revenue and expense that can produce significant fluctuations in the PTC that are not directly related to the underlying cost of default service supply. By using a semi-annual rather than a quarterly or monthly schedule for the reconciliation of over/under collections for the Residential and Small Commercial Classes and Consolidated Large C&I Class, respectively,

fluctuations in default service prices will be smoothed out and result in clearer price signals for both customers and EGSs. PECO St. 2, pp. 6-7. While the Commission’s regulations do not prescribe a time period for reconciliation adjustments, PECO believes that semi-annual reconciliation appropriately balances the Company’s goal of mitigating volatility with the Commission’s concern about maintaining the PTC as a price signal for customers and EGSs. *Id.* In order to continue quarterly filing of hourly-price default service rates and semi-annual reconciliation of the E-Factor for all default service customers under the Settlement, the Joint Petitioners have requested that, if necessary, the Commission grant PECO a waiver of the rate design provisions in 52 Pa. Code § 54.187. Joint Petition, ¶ 71.

I. PECO’s Revised DSP VI Includes Time-of-Use Rates That Satisfy Act 129 Requirements and Are in the Public Interest

In addition to procurement of a “prudent mix” of default service supply contracts at the “least cost to customers over time,”¹⁹ Act 129 requires EDCs to offer a TOU rate option to all default service customers with a smart meter.²⁰ Based on these statutory requirements under Act 129, PECO introduced new TOU rate offerings in DSP V for the Residential and Small Commercial Classes. More than 1,900 customers have enrolled in PECO’s TOU rates since September 2021 and achieved bill savings, ranging from \$3 to \$23 per month. PECO St. 2, p. 10.

For DSP VI, PECO proposed to continue its current TOU rates consistent with Commission guidance on TOU rate design and Act 129 requirements.²¹ PECO’s existing TOU

¹⁹ 66 Pa.C.S. §§ 2807(e)(3.1)-(3.2), (3.4) and (3.7).

²⁰ 66 Pa.C.S. § 2807(f)(5).

²¹ *See Dauphin Cty. Indus. Dev. Auth. v. Pa. P.U.C.*, 123 A.3d 1124, 1136 (Pa. Commw. Ct. 2015) (“*DCIDA*”) (holding that Act 129 does not authorize default service providers to delegate the obligation to offer TOU rates to customers with smart meters to EGSs); *Petition of PPL Elec. Utils. Corp. for Approval of a New Pilot Time-of-Use Program*, Docket Nos. P-2013-2389572 and M-2016-2578051 (Secretarial Letter issued Apr. 6, 2017) (“April 2017 Secretarial Letter”) (proposing a TOU design for PPL in accordance with the *DCIDA* decision and noting that the proposed TOU design “may provide future guidance to all EDCs” for incorporation into their own TOU proposals in their individual default service proceedings).

rates differentiate prices across three periods (peak, off-peak and super off-peak) that remain constant year-round based on price multipliers for each procurement class that are updated on an annual basis and are designed to motivate customers to shift usage to lower-cost, off-peak hours. The time-differentiated usage periods reasonably encompass the Company's expected system peak usage times and take into account the need for simplicity to provide eligible customers with a reasonable opportunity to shift usage to lower-priced (off-peak) hours. PECO selected the same year-round peak period – 2 p.m. to 6 p.m. on non-holiday weekdays – employed in DSP V because participating customers successfully responded to the TOU price signals to shift usage and achieve bill savings. PECO also designed its proposed TOU rates in the context of electric vehicle expansion in the Commonwealth.²² Specifically, PECO's proposed TOU rate design includes a super off-peak pricing period from 12 a.m. to 6 a.m. to provide cost savings opportunities to customers who charge their EVs during overnight, low-priced energy hours. *See* PECO St. 2, pp. 10-15.

The OCA did not propose any changes to PECO's TOU rates in this case, but recommended that PECO evaluate and propose alternative approaches in the Company's next default service proceeding ("DSP VII"). *See* OCA St. 2, pp. 16-20; OCA St. 2-SR, pp. 3-4. The OCA also recommended that PECO perform additional analyses and report its findings in the DSP VII filing regarding alternative price multipliers that allocate all capacity costs to the summer peak period and TOU pricing periods that incorporate seasonal variation. *See* OCA St. 1, pp. 34-36; OCA St. 1-SR, p. 16.

The Settlement adopts PECO's original proposed TOU product structure and rate design, and PECO agrees to perform the additional analyses recommended by the OCA described in

²² *See Investigation into Default Serv. and PJM Interconnection, LLC Settlement Reforms*, Docket No. M-2019-3007101 (Secretarial Letter issued Jan. 23, 2020) ("January 2020 Secretarial Letter"), p. 7.

Paragraph 47 of the Joint Petition. The TOU price multipliers for each procurement class shown in Table 2 of the Joint Petition are designed to motivate shifting of usage from the higher-cost peak period to lower-cost off-peak periods consistent with the Commission's guidance in the April 2017 Secretarial Letter (p. 3). These multipliers reflect the ratios calculated from average PJM PECO Zone spot market prices as well as the cost of capacity during peak and off-peak hours. Under the Settlement, PECO will continue updating the TOU pricing multipliers on an annual basis in the same manner as DSP V, and the updated multipliers for the first year of DSP VI will be reflected in PECO's GSA filing 45 days before June 1, 2025. *See* Joint Petition, ¶¶ 46-51. Allocation of the cost of capacity to peak and off-peak hours only under the Settlement will send cost-based price signals and create larger price differentials that are more likely to motivate customers to adjust the time of day they use electricity. PECO St. 2, pp. 13-14.

The Settlement also documents agreement among the Joint Petitioners regarding PECO's TOU rate calculations. Under the Settlement, PECO will source both the standard and TOU default service for residential and small commercial customers from the same supply portfolio for each procurement class. The Joint Petitioners further agreed to the pricing methodology for PECO's TOU rate calculations set forth in PECO Exhibit Nos. MAM-4 and MAM-5. Under the Settlement's rate design, eligible default service customers will pay a discounted rate for off-peak usage and a higher rate for peak usage relative to PECO's standard fixed-price GSA. In addition, TOU customer kWh sales and costs will be included in the semi-annual reconciliation of the over/undercollection component of the GSA for the entire procurement class (i.e., Residential or Small Commercial). Joint Petition, ¶ 53. This reconciliation process using a single E-Factor for each procurement class will help mitigate potential large swings in GSA over/undercollections that could arise if customers switch between PECO's standard default service rate and TOU default service rate. PECO St. 2, pp. 14-16. Notably, the Commission has

previously authorized other EDCs to recover TOU over/undercollection amounts from all default service customers based on its finding that the TOU rates mandated by Act 129 are a “form of default service.”²³

As the Commission has recognized, Act 129 makes clear that an EDC’s TOU program should be optional for default service customers.²⁴ The April 2017 Secretarial Letter (p. 3) further provides that EDC TOU rates should be available to all default service customers who are not eligible for “spot only” default service and should incorporate existing consumer protections for CAP customers. In accordance with the Commission’s guidance, PECO’s TOU rates under the Settlement will be available to residential and small commercial default service customers with smart meters configured to measure energy consumption in watt-hours. Joint Petition, ¶ 54. The Settlement also includes restrictions on re-enrollment if a customer leaves the TOU for any reason. *Id.*, ¶ 56. This provision is in the public interest because it will reduce “free riders” who enroll in a TOU rate only for times of the year when they do not have to shift usage to save money. PECO St. 2, p. 10.

The Settlement also adopts PECO’s original proposal to exclude CAP customers from the residential TOU Rate to avoid potential adverse impacts on CAP benefits. Joint Petition, ¶ 54. TURN/CAUSE-PA witness Elizabeth R. Marx supported the ineligibility of CAP customers but proposed additional protections for all low-income customers. Specifically, Ms. Marx proposed that PECO conduct affirmative outreach to confirmed low-income (“CLI”) customers enrolled in TOU rates whose generation costs are exceeding the applicable PTC. As part of such outreach,

²³ See *Pa. P.U.C. v. PPL Elec. Utils. Corp.*, Docket No. R-2011-2264771 (Opinion and Order entered Aug. 30, 2012), pp. 22-23.

²⁴ See *Investigation into Default Serv. and PJM Interconnection, LLC Settlement Reforms*, Docket No. M-2019-3007101 (Secretarial Letter issued Jan. 23, 2020), p. 6. Act 129 provides that “[r]esidential or commercial customers *may* elect to participate in time-of-use rates or real-time pricing”. 66 Pa.C.S. § 2807(f)(5) (emphasis added).

Ms. Marx recommended that PECO encourage those households to return to standard, non-time varying default service and enroll in available universal service programs. TURN/CAUSE-PA St. 1, pp. 23-26; TURN/CAUSE-PA St. 1-SR, pp. 12-13. To address the concerns raised by Ms. Marx, the Company agreed to add the following disclosure to PECO's TOU webpage in the "Is Time-of-Use Pricing right for me?" section:

If you are having trouble affording your electricity bill, PECO offers programs and services to help those in need. Contact PECO at 1-800-494-4000 for more information and to apply.

Joint Petition, ¶ 58. PECO will also attempt personal contact with CLI TOU participants every six months to encourage those households to enroll in CAP. *Id.*, ¶ 59.

In sum, the TOU rates under the Settlement satisfy Act 129 requirements, incorporate the PUC's recommended guidelines on TOU rate design, and balance a variety of important objectives, including development of a TOU rate structure that is actionable for customers.

J. Continuation of PECO's Standard Offer Program with the Conditions Agreed to by the Joint Petitioners Is in the Public Interest

On April 29, 2011, the Commission initiated its extensive Investigation of Pennsylvania's Retail Electricity Market at Docket I-2011-2237952 (the "Retail Markets Investigation"), which ultimately led to the Commission proposing that PECO and other default service providers undertake a variety of retail market enhancements, which the Commission then approved as part of PECO's second default service program proceeding ("DSP II"). In its final order in the Retail Markets Investigation, the Commission issued its proposed model for the "End State of Default Service" and observed that standard offer customer referral programs will "improve the overall operation of the competitive market in the near term."²⁵ Consistent with the Commission's directives in the Retail Markets Investigation, during DSP II, PECO implemented its Standard

²⁵ See *Investigation of Pennsylvania's Retail Elec. Mkt.: End State of Default Serv.*, Docket No. I-2011-2237952 (Order entered Feb. 15, 2013) (the "End State Order"), pp. 12-13.

Offer Program under which Residential and Small Commercial default service customers contacting PECO's customer service center are presented with an opportunity to select among a group of EGSs who have voluntarily chosen to offer customers a twelve-month contract priced at least 7% below PECO's applicable PTC at the time of the offer. In PECO's DSP II proceeding, the Commission approved recovery of Standard Offer Program costs through an EGS participant fee of \$30 per enrolled customer, with any remaining costs recovered in the following manner: (1) fifty percent from EGSs through a 0.2% Purchase of Receivables ("POR") discount; and (2) fifty percent from residential and small commercial default service customers via the GSA.²⁶

In the DSP V Order (p. 31), the Commission approved continuation of the Standard Offer Program, including the cost recovery mechanisms approved in the DSP II Orders, as "beneficial" to all customers. Accordingly, PECO proposed to extend the SOP during DSP VI in the same format as in DSP V. OCA witness Barbara R. Alexander recommended termination of the SOP on May 31, 2025 because, in her view, the program has accomplished its "purpose of exposing customers to the retail generation market" and PECO should no longer operate as the "marketing and enrollment arm" of EGSs that have a long history of charging residential shopping customers more than the PTC. If the SOP continues during DSP VI, Ms. Alexander recommended that PECO return SOP customers to default service if they do not make an affirmative decision to either stay with their SOP supplier or select a new EGS at the end of the 12-month contract. OCA St. 2, pp. 9-16. In her rebuttal testimony, TURN/CAUSE-PA witness

²⁶ See *Petition of PECO Energy Co. for Approval of Its Default Serv. Program*, Docket No. P-2012-2283641 (Order entered Oct. 12, 2012) ("October 12 Order"). In the October 12 Order, the Commission approved PECO's DSP II with certain modifications and also directed PECO to submit new proposals for various elements of its proposed retail market enhancements. In response, PECO made a series of compliance filings (December 11, 2012; February 28, 2013; and April 15, 2013), which were approved by a Secretarial Letter issued January 25, 2013, an Order entered February 14, 2013, and an Order entered June 13, 2013, respectively (collectively, the "DSP II Orders").

Marx agreed with Ms. Alexander's SOP recommendations. TURN/CAUSE-PA St. 1-R, pp. 10-11.

Under the Settlement, PECO will continue its currently effective SOP (including the cost recovery mechanisms last approved by the Commission in the DSP V Order) until May 31, 2029, unless ordered by the Commission to be terminated sooner. Joint Petition, ¶ 63. To address the OCA's and TURN/CAUSE-PA's concerns regarding the prices that SOP customers pay for competitive generation service, the Joint Petitioners agreed to a new Supplier Tariff provision that requires EGSs to automatically transfer SOP customers to default service upon the expiration of the SOP contract unless the customer affirmatively elects to remain with the SOP supplier. *See id.*, ¶ 64.

The changes to PECO's current SOP agreed to as part of the Settlement carefully balance the interests of customers, participating EGSs, and the Commission's guidelines in prior default service proceedings regarding standard offer customer referral programs. Accordingly, continuation of the SOP under the Settlement is beneficial to customers and in the public interest.

K. The Settlement Adopts Residential Bill Format Changes to Ensure That Shopping Information Is Clear and Transparent

The Settlement adopts PECO's original proposal to add a new disclosure to the first page of the residential customer bill that compares the customer's total supplier charges for the billing period with what the dollar amount of the charges would be under PECO's applicable PTC based on the customer's usage during the billing period. Under the Settlement, PECO agreed to remove the third column of the new chart shown on PECO Exhibit SD-6 titled "Electric Supplier Savings" presenting the variance between the two dollar amount figures as recommended by the OCA to avoid potential customer confusion. *See* Joint Petition, ¶¶ 65-66, Ex. H.

PECO's PTC in cents per kilowatt-hour ("kWh") for the applicable billing period that customers may use to evaluate competitive generation service offerings by EGSs is currently

printed in the Message Center on the residential customer bill. However, under its “bill-ready” billing platform, PECO does not receive sufficient information from EGSs that would allow PECO to automatically print EGS pricing in cents per kWh on the customer’s bill. PECO St. 1, p. 29. The bill format changes adopted by the Settlement are based on PECO’s stakeholder collaborative held in January 2021 and will enhance the presentation of shopping information and permit active customer review of the rates they are paying for competitive generation service.

L. The Settlement Includes PECO Commitments to Enhance the CAP Enrollment Process

In her direct testimony, TURN/CAUSE-PA witness Marx examined historical data regarding the EGS prices that PECO’s residential customers have paid over the past six years and concluded that the aggregate EGS charges during that period exceeded PECO’s applicable PTC by more than \$800 million and that shopping confirmed low-income customers had been subject to the highest-priced EGS products. TURN/CAUSE-PA St. 1, pp. 8-18. Based on that conclusion, Ms. Marx requested that PECO improve access to CAP for applicants with EGS supply. To that end, Ms. Geller recommended that PECO (1) include a clear statement on its CAP application informing customers that, by submitting the application, they consent to returning to default service at the time of CAP enrollment and (2) prohibit suppliers from charging early cancellation or termination fees to any shopping customer who enrolls in PECO’s CAP. *Id.*, pp. 20-21.

Under the Settlement, the Joint Petitioners agreed to a new Supplier Tariff rule to ensure that low-income customers with pre-existing EGS contracts will be able to access CAP without facing fees as recommended by TURN/CAUSE-PA. By June 1, 2025, PECO also committed to implement the practices outlined in Paragraphs 68 and 69 of the Joint Petition to assist shopping customers transitioning to CAP (and are ineligible to receive EGS supply) with removal of EGS

supply and inform new CAP enrollees that generation suppliers are prohibited from charging them cancellation or termination fees as set forth in Paragraph 67.

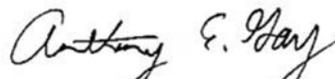
PECO believes the Settlement provisions related to its CAP application policies and procedures strike a reasonable balance among the Commission's policies of further developing Pennsylvania's competitive retail market, ensuring affordability of service for the Company's low-income customers, and containing costs for all residential customers that pay for CAP.

IV. CONCLUSION

For the reasons set forth above and in the Joint Petition, PECO's Revised DSP VI embodied in the Settlement builds on the successful products and programs approved by the Commission in DSP V, which will allow PECO to continue to meet its default service obligations and to further enhance the retail electric market. Moreover, the Settlement terms have been carefully designed to resolve, in a reasonable fashion, the issues and concerns that were raised by the testimony in this case without the need for additional costly litigation.

Accordingly, the Settlement is in the public interest and should be approved without modification.

Respectfully submitted,



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Dated: July 10, 2024

Counsel for PECO Energy Company

Statement B

**Statement in Support of Joint Petition for Non-Unanimous Settlement of
the Office of Consumer Advocate**

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PETITION OF PECO ENERGY COMPANY :
FOR APPROVAL OF ITS DEFAULT : DOCKET NO. P-2024-3046008
SERVICE PROGRAM FOR THE PERIOD :
FROM JUNE 1, 2025, THROUGH MAY 31, :
2029 :

**STATEMENT OF THE
OFFICE OF CONSUMER ADVOCATE
IN SUPPORT OF THE
JOINT PETITION FOR NON-UNANIMOUS SETTLEMENT**

The Office of Consumer Advocate (OCA), a signatory party to the Joint Petition for Non-Unanimous Settlement (Settlement) in the captioned proceeding, respectfully requests that the terms and conditions of the Settlement be approved without modification by Administrative Law Judges Arlene Ashton and Eranda Vero and the Pennsylvania Public Utility Commission (Commission). The OCA supports the settlement as it is in the public interest and in the interests of the residential customers of PECO Energy Company (PECO or the Company).

I. BACKGROUND

The OCA adopts the Background as set forth in the Joint Petition for Non-Unanimous Settlement Paragraphs 1-11., In addition to the background outlined in the Settlement, the OCA engaged in multiple rounds of discovery, analyzed both the Company's filing, as well as the discovery responses provided by the Company and other parties, the testimony and information of other parties, as well as the advice and counsel of our expert witnesses. Through this analysis

the OCA developed its positions in this case, and its decision to support this settlement as it is in the public interest.

II. TERMS AND CONDITIONS OF SETTLEMENT

A. Procurement Plan

The OCA submits that the procurement plan as outlined in Settlement meets the requirements as set forth in 66 Pa. C.S. §2807(e) and is designed and structured to result in the procurement of default service supply that contains a prudent mix of contracts tailored to be least cost over time to consumers. Furthermore, the OCA submits that this proposed procurement process is designed to protect consumers from the full risks of price volatility while still remaining reflective of the market.

In the Settlement, PECO proposes to divide default service customers into the same three classes as established in its prior DSP: Residential Class, Small Commercial Class, and Consolidated Large Commercial and Industrial Class. Settlement at ¶14. Residential customers will continue to be served through 99% of its load through a mix of one-year (approximately 38%) and two-year (approximately 61%) fixed-price full requirements (FPFR) contracts. Settlement at ¶ 18. The remaining approximately 1% will be supplied directly by PJM's spot energy, capacity and ancillary services markets offset by the long-term solar procurement discussed below and outlined in paragraphs 20 and 21 of the Settlement. *Id.* The settlement results are substantially similar to those that were supported by OCA witness Dr. Serhan Ogur (OCA Statement No. 1). as this mix has been shown to be effective and results in reduced volatility.

In addition to the above discussed procurement, the Settlement also provides that PECO will utilize ten-year fixed-priced power purchase agreements. (Solar PPAs). Petition at ¶21. This solar power will be generated by one or more new Pennsylvania solar photovoltaic projects. Petition at ¶21. The winning projects will be selected utilizing requests for proposals. Petition at ¶22. The energy generated by these projects will offset spot market purchases for the residential class under DSP VI and the Alternative Energy Credits (AECs) will be used to meet residential class AEP requirements. Petition at ¶23-24.

The OCA submits that the procurement plan put forth in the Settlement is in the public interest. As stated in the direct testimony of Dr. Serhan Ogur (OCA St. 1), Dr. Ogur viewed the mix of 12- and 24-month FPFR contract procurement favorably. OCA St. 1 at 11. The mix of 12- and 24-month FPFR contracts procured two months prior to delivery is a reasonable balance between rate stability and reflectiveness of competitive market conditions. OCA St. 1 at 11. This balance of rate stability with reflectiveness is a benefit because it protects consumers from the shock of price fluctuations. In his direct Testimony, Dr. Ogur expressed some concern regarding the spot market purchases included in the portfolio but stated that given the small share of the portfolio these purchases make-up, and the cost and burden of the elimination of the spot purchases, he was not opposed to maintaining the “status quo”. OCA St. 1 at 12. Furthermore, PECO’s proposed usage of Solar PPA’s will reduce the need for spot market purchases, which addresses some of the concerns regarding spot-market purchases.

The OCA submits that the Procurement plan as proposed in the Settlement represents a reasonable balance, is in the public interest, and meets the statutory requirements as outlined in the Public Utility Code. In sum, it is an appropriate balance and should be approved as proposed in the settlement without modification.

B. Default Service Implementation Plan and Independent Evaluator

The Settlement also provides for the use of a capacity proxy price (CPP) in the event that PJM does not conduct a Base Residual Auction (BRA) in time for default service suppliers to incorporate the results of the auction into their bids. Petition at ¶32. The CPP will be the average of the most recent results under PJM's Reliability Pricing Model from the two most recent delivery years in which PJM held a capacity auction. Petition at ¶32. At the start of the delivery year in which BRA results were not known, winning suppliers will be either debited or credited the difference between the CPP and actual PJM capacity price. Petition at ¶32.

In his Direct testimony, Dr. Serhan Ogur discussed the benefit that the CPP will provide compared to the alternatives. OCA St. 1 at 15-16. Given that lack of predictable BRAs within PJM, the CPP is the most reasonable means of ensuring some measure of stability of bids while recognizing the uncertainty inherent in the current capacity markets. Dr. Ogur discussed the alternatives to the CPP in testimony and found that none of the alternatives were favorable. The first alternative discussed by Dr. Ogur would be to ask bidders to include capacity costs in their bids, without a true-up that is reflected in PECO's CPP proposal. OCA St. 1 at 16. The problem with this alternative, as discussed by Dr. Ogur, is that "it puts the price risk of an unhedgeable, large, and highly variable component on the FPCR suppliers" who would then pass that risk on as premiums in bids. OCA St. 1 at 16. The second alternative is that the Company could assign PJM capacity charges to itself and recover these costs from consumers. OCA St. 1 at 16. The issue with this alternative is that it is administratively cumbersome without a clear corresponding benefit. OCA St. 1 at 16. The third and final alternative discussed by Dr. Ogur was to shorten the terms of FPCRs for which capacity price is unknown for at least part of the delivery period. OCA St. 1 at 16. However, Dr. Ogur opined that this would very likely adversely affect rate stability

and expose the overall portfolio to wholesale market volatility. OCA St. 1 at 16. Therefore, Dr. Ogur concluded that the CPP is preferable to the alternatives. OCA St 1 at 16. Furthermore, the CPP is not a new concept as it is utilized by other EDCS in Pennsylvania such as Met-ED, Penn Power, West Penn, and Duquesne. OCA St. 1 at 17.

In addition to the adoption of the CPP, as part of the Settlement PECO has agreed to withdraw its proposed reserve price proposal (RPP). Petition at ¶33. The withdrawal of the RPP is in the public interest because as explained by Dr. Ogur, the RPP posed a risk of serious harm. The RPP, if set improperly, could have led to a reduction in price stability and predictability for residential customers. OCA St. 1 at 21. Furthermore, the RPP could have led to catastrophic and irreversible effects on participation in procurements. OCA St. 1 at 22. These potential harms, combined with the limited information provided on the setting of the RPP lead to the conclusion that the withdrawal of the RPP is in the public interest.

C. Alternative Energy Portfolio Standards (AEPS) Act Compliance

Under the terms of the Settlement, PECO will require each FPCR supplier to transfer Tier I and Tier II AECs to PECO's AEPS obligations consistent with the amount of default service load served by that supplier. Petition at ¶36. In addition to those AECs, PECO will allocate AECs obtained through solar procurement to suppliers in accordance with the percentage of load served by each supplier and will retain any portion of its AEC inventory to meet its AEPs obligations. Petition at ¶36.

The OCA did not contest this portion of PECO's proposed plan and generally finds its proposed AEPS Act compliance to be in the public interest because it will ensure that the

Company is able to comply with the AEPS Act and will prevent the costs and burdens of litigation to determine how the company will comply.

D. Contingency Plans

(1) Full Requirements

Under the terms of the Settlement, PECO will continue to use the contingency plans approved in the prior default service programs. Petition at ¶37. Under PECO's contingency plan, unfilled tranches will be included in the next default supply auction, and any unserved portions will be served through PJM-administered markets. Petition at ¶37. If a supplier defaults within a reasonable time before procurement, the defaulting supplier will be included into the next procurement, if they are not included, PECO will file a plan with the Commission to propose alternative procurement and request approval of such on an expedited basis. Petition at ¶38.

In his direct testimony, Dr. Serhan Ogur suggested a slight modification to the contingency plan. OCA St. 1 at 17-19. Dr. Ogur suggested that in addition to PECO's proposed contingency plan in regard to the residential portfolio, PECO be prepared to solicit and acquire standard fixed-quantity energy blocks within days of procurement shortfall or supplier default. OCA St. 1 at 17. This suggestion was made to help protect the portfolio from the volatility of the spot market. OCA St. 1 at 18. While this settlement does not adopt Dr. Ogur's recommendations, the other benefits of the settlement outweigh the potential harm of the contingency plan. Therefore, the settlement as a whole is in the public interest.

(2) AEPS Requirements

Under the terms of the Settlement, if PECO does not procure a contracted capacity of 25 MW via their Solar RFP, PECO will conduct a second procurement within six to twelve months

of the first procurement. Petition at ¶39. However, if the capacity contracted was not less than 10 MW, PECO has the discretion of whether to conduct a second procurement for that capacity. Petition at ¶39. If the Solar procurements fall short, there will be no shortfall in AEC's necessary due to the obligations of full requirements suppliers to deliver AECs and PECO's ability to obtain additional AECs through Tier I and Tier II balancing as previously authorized by the Commission. Petition at ¶39.

The OCA finds that this proposed contingency for AEPS compliance represents a reasonable plan and is in the public interest.

E. Rate Design and Cost Recovery

(1) Generation Supply Adjustment

Under the terms of the Settlement, PECO will continue to recover its default service costs from customers through the Generation Supply adjustment (GSA) and the Transmission Service Charge (TSC). Petition at ¶40. For the Residential and Small Commercial classes, default service rates that are established pursuant to the GSA will now be adjusted semi-annually rather than quarterly. Petition at ¶40. This change was prompted by the testimony of OCA witness Ogur.

In his direct testimony, Dr. Ogur recommended the company change from quarterly to semi-annual adjustments for the GSA. OCA St. 1 at 28. As explained by Dr. Ogur, 99 percent of the Company's residential default service supplies are procured in either 12- or 24-month FPFR contracts. OCA St. 1 at 27. These contracts terminate on May 31 and November 30 of each year and delivery of new contracts begins the next day. OCA St. 1 at 27. With contracts changing semi-annually, there is no reason to adjust rates quarterly. Semi-annual adjustment would provide

greater rate stability for customers and reduce administrative costs for the Company. OCA St. 1 at 28. Therefore, the OCA submits that semi-annual adjustment is in the public interest.

(2) Time-of Use Rates

Under the terms of the Settlement, PECO will continue its Commission-approved Time-of Use Rate (TOU) options for customers in the Residential and Small Commercial procurement Class who are eligible. Petition at ¶46. PECO will also perform a one-time evaluation of the current TOU rate structure and present these results in its next default service filing. Petition at ¶47. PECO will evaluate enrollment rates and customer characteristics through a voluntary email survey of all participating TOU customers (e.g., income, air condition, rooftop solar and electric vehicles ownership, etc.). Petition at ¶47. The survey used will include questions regarding whether customers would prefer an incentive-based program. Petition at ¶47. PECO will utilize this information to determine whether to propose an incentive-based time varying rate in future proceedings. Petition at ¶47. Furthermore, PECO will analyze seasonal variation in the calculation of TOU Multipliers. Petition at ¶47.

In the Direct testimony of OCA Witness Barbara R. Alexander (OCA St. 2) Ms. Alexander outlined the Company's current TOU program, and the various issues with it including its anemic enrollment and inadequacy in addressing peak load reductions. OCA St. 2 at 16-20. Ms. Alexander acknowledged in her testimony that PECO has an obligation to offer a TOU rate program that takes advantage of advanced Metering Infrastructure. OCA St. 2 at 19. In light of that, Ms. Alexander recommended that PECO develop pilot programs, such as incentive payments, to better utilize this technology and provide more benefit. OCA St. 2 at 19-20. This settlement provides the first steps to the development of programs via the valuation of customer input. As such, the OCA Submits that the evaluation of an incentive based program is in the

public interest as it takes steps towards the creation of a program that may better benefit the public.

(i) TOU Product Structure and Rate Design

TOU rates will be calculated on a semi-annual basis, synchronized with GSA adjustment periods for residential and small commercial customers. Petition at ¶53. The calculation of TOU rates on a semi-annual basis that is synchronized with GSA adjustments is in the public

The calculation of TOU rates on a semi-annual basis is a reasonable result given the retention of the TOU program.

(ii) Customer Eligibility

Under the Settlement, TOU rates will be available to residential and small commercial default service customers who have smart meters configured to measure energy consumption in watt-hours. Petition at ¶54. Customers who are enrolled in the Customer Assistance Program (CAP) will not be eligible for the residential TOU rate during the revised DSP VI term. Petition at ¶54. Customers who elect TOU rates will remain in the rate until they become ineligible, switch to an EGS, or affirmatively elect to return to PECO's default service rate. Petition at ¶55. Customers may leave the TOU rate at any time without penalty or fee but may not re-enroll after leaving for twelve billing months after switching off the TOU rate. Petition at ¶56.

These settlement provisions retain the status quo and the OCA specifically supports the allowance of customers to leave the TOU rate without penalty or fee. In light of the rest of the settlement, these terms are in the public interest.

(iii) Implementation Plan and Cost Recovery

PECO will continue to use the communications plan approved in DSP V to inform customers about TOU rates and update customers about opportunities for bill savings. Petition at ¶57. Under the settlement, PECO will add the following language to its TOU webpage in the section “Is Time-of-Use Pricing right for me?”: “If you are having trouble affording your electricity bill, PECO offers programs and services to help those in need. Contact PECO at 1-800-494-4000 for more information and to apply.” Petition at ¶58. Additionally, PECO will, no less frequently than every (6) months, attempt personal contact with its confirmed low-income TOU customers to encourage them to enroll in CAP. Petition at ¶59. PECO will evaluate the impact of the TOU rates on confirmed low-income customers and track TOU customers’ income and demographic information but will not preclude customers who refuse to disclose this information from participating. Petition at ¶60-61.

The inclusion of the additional language to the TOU webpage, as well as personal contact to low-income customers is in the public interest. The additional language will help to direct customers who are struggling with bills and exploring their options to the Company to assist them in finding a way to make their bill for affordable. As explained in Ms. Marx’s direct testimony, this kind of targeted outreach will enable PECO to inform customers of programs such as CAP, Hardship grants, or usage reduction programs without exposing vulnerable customers to potentially higher rates. TURN/CAUSE PA St. 1 at 25. Furthermore, it can help to prevent low-income customers who may not actually benefit from the TOU rate from being harmed by it. Additionally, the evaluation of the impact of TOU rates on low-income customers will assist in the creation of a program that creates more benefit for not only the low-income customers, but the public as a whole.

F. Standard Offer Program

PECO will continue its currently effective Standard Offer Program (SOP), but all SOP contracts executed after June 1, 2025, must automatically transfer SOP customers to default service upon the expiration of the SOP contract unless the customer affirmatively elects to remain with the SOP supplier. Petition at ¶¶63-64. PECO will update its SOP scripting to inform all customers who enroll after June 1, 2025, that enrollment in an SOP contract under these terms operates as consent to return to default service absent an affirmative decision to remain with the SOP supplier at the end of the term. Petition at ¶64.

While Ms. Alexander's primary recommendation regarding the standard offer program was the termination of the program, the OCA believes that this portion of the settlement is in the public interest. OCA St. 2 at 14. Ms. Alexander's secondary recommendation was that at the end of the SOP contract, customers be returned to default service rates unless they affirmatively agree to new or different contract terms. OCA St. 2 at 15. The requirement of an affirmation to remain on the SOP removes the risks of a customer to face changed SOP contract terms through silence.

As explained in Ms. Alexander's direct testimony, there is a long history of EGS prices exceeding the Price to Compare in Pennsylvania. OCA St. 2 at 12. In a six-year span from 2018-2023 every year residential customers paid more to suppliers than to the price to compare, amounting to an excess of \$800 million more than they would have if they remained on default service. OCA St. 2 at 12. Furthermore, as shown in the Direct Testimony of Elizabeth Marx TURN/CAUSE-PA St. 1, the average cost per kWh for Default service was lower every month than the average shopping cost per kWh. TURN/CAUSE PA St. 1 at 10. As stated in Ms. Marx,

the SOP currently provides a passive “on-ramp” to the market, without matching it with a passive “off-ramp” for unengaged customers. TURN/CAUSE PA St. 1 at 5.

While the settlement does not terminate the SOP, the OCA submits that the removal of customers from the SOP at the end of a contract term without an affirmative decision to remain on the SOP is in the public interest. This case notably differs from prior proceedings in which this issue was presented because breadth and depth of evidence showing the harm that shopping caused customers. In the PPL DSP V case, the Commission rejected PPL’s proposed modification to its SOP due to “our inability to determine from this record that harm is occurring as a result of the existing SOP program”. *Petition of PPL Electric Utilities Corporation for Approval of Its Default Service Plan For the Period June 1, 2021, Through May 31, 2024*, 2020 Pa. PUC LEXIS 636, *47-48 (Order Dec. 17, 2020). The evidence presented in this proceeding, that customers have paid an excess of \$800 million dollars in six years to suppliers than they would have paid under the default service rate, while not limited to only SOP shopping customers, shows that the SOP, and its negative option renewal, have produced harms to shopping customers and other ratepayers that are in fact harmful to consumers¹. Given this reality, the modification to the SOP – which itself is a limitation on competition because of the price offering – is a reasonable means by which the Commission can “bend” competition to ensure that customers remain protected.² Furthermore, the terms of the settlement provide that this change will only be prospective – for contracts after June 1, 2025, thereby not interfering with any existing SOP agreements, and will

¹ An example of this harm is the increased termination rates for confirmed low-income shopping customers as demonstrated in the direct testimony of Ms. Marx. TURN/CAUSE PA St. 1 at 18. These higher termination rates drive higher collection costs and uncollectible expenses which are born by other ratepayers. TURN/CAUSE PA St. 1 at 18.

² In *CAUSE-PA*, the Commonwealth Court held that the General Assembly has reserved within the Commission the authority to “bend” competition to further other important aspects of the Code, including the Choice Act, where the Commission provides substantial reasons why the restriction on competition is necessary (*i.e.*, there are no reasonable alternatives). *Coalition for Affordable Util. Servs. & Energy Efficiency in PA. et al. v. Pa. PUC*, 120 A.3d 1087, 1103-1104, 1106 (Pa. Cmwlth. 2015), app. den., 136 A. 3d 982 (Pa. 2016) (*CAUSE PA*)).

only occur after PECO informs customers that as a condition of enrollment in the SOP that they will be returned to default service at the end of the term unless they make an affirmative choice to remain with their SOP supplier. Petition at ¶¶63-64. These are reasonable conditions that protect current supplier contracts while ensuring that the clear harms to consumers demonstrated in this proceeding concerning shopping are no longer exacerbated by a Commission-designed, utility-promoted program. Therefore, the requirement that for all SOP enrollments after June 1, 2025, customers be returned to default service at the end of the contract term unless they make an affirmative decision to remain on the SOP is in the public interest and should be adopted.³

G. Residential Customer Bill Improvements

Under the Settlement, PECO's residential bill format will add a graphic to the first page of the customer bill that compares the customer's total supplier charges for each billing period with what they would be under PECO's applicable PTC based on the customer usage during the billing period. Petition at ¶¶65, Exhibit H. PECO will not include an "Electric Supplier Savings" column in the revised customer bill graphic. Petition at ¶¶66; *compare* Settlement Exhibit H and PECO Exhibit SD-6.

The OCA supports the removal of the proposed "Electric Supplier Savings" column. As explained in the testimony of Ms. Alexander, the proposed column would not have necessarily been labeled correctly as it is not guaranteed to always be savings, some months may be losses. OCA St. 2 at 8. As a result, this column had the risk of confusing customers, the removal of this

³ Importantly, nothing in these terms prevents a customer from choosing to shop at any time. They can enroll with another EGS while being served on SOP, they can choose another EGS at the end of their SOP-contract, they can choose to remain with their SOP-supplier by affirmatively electing to remain. In every way, a customer's direct access to the retail market is maintained by the terms of this settlement.

column will allow customers to focus on the actual dollar amount and would allow for a true dollar to dollar comparison. OCA St. 2 at 8.

H. Access to PECO's CAP for Applicants with EGS Supply

Under the Settlement, EGS contracts with residential customers executed after June 1, 2025, EGSs will not be permitted to charge early cancellation, termination, or other fees to any shopping customer who transitions into PECO's CAP. Petition at ¶67. Additionally, PECO will add the following language to its CAP Follow-up letter: "To enroll in CAP, you must return to default service and drop your generation supplier. Please call 1-800-774-7040 for assistance with this process." Petition at ¶68. Upon contact from a CAP applicant who is enrolled with a generation supplier, PECO will assist the CAP applicant with removal of the generation supplier to return to default service once the Company has confirmed that the applicant qualifies for CAP. Petition at ¶68. Furthermore, the Settlement provides that PECO will convene a stakeholder process to discuss modifications to its CAP application to inform customers that submission of a CAP application authorizes PECO to return the applicant to default service upon enrollment in CAP. Petition at ¶68. PECO will also track and report to its Universal Service Advisory Committee at least every six months how many CAP applicants were issued a "Customer Refuse to Drop Supplier" letter. Petition at ¶68. Effective June 1, 2025, PECO will update its CAP Welcome letter to notify enrollees that generation suppliers may not charge cancellation and termination fees. Petition at ¶69. PECO will also include instructions on how to file an informal complaint with the Commission if the supplier assesses such a fee. Petition at ¶69.

The protection of CAP customers from termination fees and other such fees when enrolling in CAP are a key benefit of this settlement and are in the public interest. Customers who enroll in CAP are likely to be severely affected by these termination fees, and allowing

customers to join CAP without the threat of fees will give them the ability to receive necessary assistance with their energy bill. Furthermore, the addition of language indicating that suppliers may not charge cancellation fees to customers transition to CAP will protect CAP enrollees by informing them of their rights.

The Settlement provides that upon contact from a CAP applicant who is enrolled with a generation supplier, PECO will assist the applicant with the removal of the supplier and the return to default service. This addition is beneficial to consumers because as discussed in the testimony of Ms. Marx, the current process is administratively cumbersome and relies on a CAP applicant to infer that they must separately contact an EGS to cancel their supply agreement. TURN/CAUSE PA St. 1 at 21. This is an obstacle for customers, and by the time they receive a CAP Refuse to Drop Supplier letter, their CAP application has been denied and they must reapply, sometimes weeks or months after the completion of the first application. TURN/CAUSE PA St. 1 at 21. The addition of PECO assistance at receipt of contact will help to remove some of these burdens and speed the process up, therefore making it more effective in assisting customers who need it the most.

Because of these protections provided to CAP enrollees, the OCA submits that this portion of the settlement is in the public interest and will greatly assist in the protection of consumers who are in need of it the most.

III. THE SETTLEMENT IS IN THE PUBLIC INTEREST

The OCA submits that the settlement as a whole is in the public interest for the reasons outlined above, as well as those set forth in paragraph 73 of the Petition. This settlement represents a balance of the signatory parties and provides crucial protections and benefits for

consumers. Without this settlement, the parties would be forced to continue costly and burdensome litigation, where results are unpredictable and benefits less certain. The settlement ensures that PECO will meet its statutory responsibilities to procure a default service portfolio that is designed to ensure service at least cost over time, it meaningfully increases the amount of renewable energy that will be a part of this portfolio, it seeks to protect consumers from the known harms caused by competition through changes to the SOP, and seeks to ensure that low income customers can access the benefits of CAP with needed administrative changes. In its whole, all of these benefits, especially when weighed against the risks and costs of litigation, demonstrate that this proposed settlement is in the public interest.

The OCA respectfully requests that this Joint Petition for Non-Unanimous Settlement be adopted.

Respectfully submitted,

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Dated: July 3, 2024

Statement C

**Statement in Support of Joint Petition for Non-Unanimous Settlement of the
Office of Small Business Advocate**

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PECO Energy Company for : Docket Number: P-2024-3046008
Approval of Its Default Service Plan for :
the Period from June 1, 2025 through May :
31, 2029 (“DSP VI Petition”) :

**STATEMENT OF
THE OFFICE OF SMALL BUSINESS
ADVOCATE
IN SUPPORT OF THE
JOINT PETITION FOR APPROVAL OF
NON-UNANIMOUS SETTLEMENT**

Introduction

The Small Business Advocate is authorized and directed to represent the interests of the small business consumers of utility services in the Commonwealth of Pennsylvania under the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50. Pursuant to that statutory authority, the Office of Small Business Advocate (“OSBA”) filed a Notice of Intervention and Protest, in the above-captioned proceeding, on March 4, 2024, in response to PECO Energy (“PECO” and/or “Company”) Petition for Approval of its Sixth Default Service Program for the Period from June 1, 2025, through May 31, 2029, which it filed on February 2, 2024.

The OSBA participated in the negotiations that led to the proposed settlement and is a signatory to the Joint Petition for Approval of Non-Unanimous Settlement (“*Joint Petition*”). The OSBA submits this statement in support of the *Joint Petition*.

The Joint Petition

The *Joint Petition* sets forth a comprehensive list of issues that were partially resolved through the negotiation process.

Short Summary

In its Petition and accompanying testimony, PECO sought to generally maintain the structure and features of the current DSP V. The Company further proposed material changes to the default service program and related products: (1) double the amount of solar AECs procured through 10-year purchase agreements during the DSP VI term for the residential class; and (2) incorporate into the Supplier Master Agreement (“SMA”) a capacity proxy price (“CPP”) mechanism, applicable in the event the PJM Interconnection does not conduct its Base Residual Auction in timely fashion; and (3) increase the limit on the amount of default supply that a bidder can secure for the Large C&I procurement class.

With respect to item 1, under the proposed settlement that increment of additional solar supply is now to be procured for the residential class through 10-year fixed price power purchase agreements (rather than AECs) that are explicitly linked to in-state solar photovoltaic projects. The OSBA has been hesitant to support such initiatives for the small business classes because a large portion of those customers shop (and they can procure higher levels of renewable supply if they so choose). Long term contracts for supply can be problematic for higher shopping classes. If the long-term price ends up well above market prices, more customers will shop, leaving non-shopping customers “holding the bag” for those higher prices. Overall, however, this represents a worthwhile experiment to support renewable investment in the Commonwealth.

PECO agreed to include a provision for small businesses to move the now quarterly generation and price to compare adjustments to a semi-annual adjustment. This is consistent

with a trend among other DSPs, reducing complexity and price change frequency for customers.

PECO has agreed to a relatively comprehensive evaluation of the Time of Use (“TOU”) program and rate structure. Currently, small business participation in this program is almost non-existent (only 12 customers use it). A thorough review is worthwhile, including consideration of seasonal variation in rate incentives, incentive-based time varying rates, and better communication with customers regarding the program and its potential benefits.

Under the settlement agreement, EGSs would have to automatically transfer SOP customers back to default service upon the expiration of the SOP contract unless the customer affirmatively elects to remain with the SOP supplier. The issue is that marketers provide “teaser” rates to get customers to shop, then raise the price above the default rates thereafter. The OSBA supported this adjustment in testimony as a matter of basic consumer protection.

THE OSBA AGREES THAT THE FOLLOWING ARE JUST AND REASONABLE

Procurement Plan

A. Procurement Plan

The OSBA agrees that the DSP VI Program shall be in effect for a period of four years, from June 1, 2025, through May 31, 2029. The Small Commercial Class includes customers with annual peak demands of up to and including 100 kW served under rate schedules GS, PD, and HT plus lighting customers on schedules AL, POL, SLE, SLS, SLC, and TLCL. Its load will continue to be supplied by equal shares of one-year and two-year FPFR products. Each of the contracts for the Small Commercial Class will be procured through a competitive sealed-bid process in the same manner as FPFR products for the Residential Class approximately two months prior to delivery of energy under the contract.

B. Default Service Implementation Plan and Independent Evaluator

The OSBA agrees to the form of the Supplier Master Agreement (“SMA”) that PECO will execute with wholesale suppliers that are successful bidders in PECO’s default service supply procurements. It also agrees to the following changes to SMA approved by the Commission in the DSP V proceeding: (1) inclusion of new Appendix I that enables market participants subject to the regulations issued by the Board of Governors of the Federal Reserve System (12 C.F.R. §§ 252.2, 252.81-88), the Federal Deposit Insurance Corporation (12 C.F.R. §§ 382.1-7) and the Office of the Comptroller of the Currency (12 C.F.R. §§ 47.1-8) to participate in the Company’s default service solicitations; (2) revisions to introduce a capacity proxy price (“CPP”) and true-up.

Effective June 1, 2025, the OSBA agrees that if PJM does not conduct its Base Residual Auction (“BRA”) for capacity in time for default service suppliers to incorporate the auction results into their bids, the CPP will be the average of the most recent results under PJM’s Reliability Pricing Model (“RPM”) from the two most recent delivery years for which PJM has held a capacity auction. Commencing at the start of the delivery year for which the BRA results were not known, winning suppliers will be debited or credited (as applicable) any differences between the CPP and the actual PJM capacity price. The OSBA also agrees to the Requests for Proposals (“RFP”) for PECO’s competitive sealed-bid solicitations and the RFP, to reflect withdrawal of PECO’s reserve price proposal under the Settlement. PECO will again appoint NERA as the third-party independent evaluator for PECO’s default service procurements, in addition to the new solar procurement.

C. Alternative Energy Portfolio Standards (“AEPS”) Act Compliance

Under the SMA, as in DSP V, PECO will continue to require each full requirements default service supplier to transfer Tier I (including solar photovoltaic) and Tier II AECs to PECO corresponding to PECO’s AEPS obligations associated with the amount of default service load served by that supplier. In addition, PECO will continue to allocate AECs obtained through its separate solar procurements to suppliers in accordance with the percentage of load served by each supplier. PECO will retain any portion of its AEC inventory to meet AEPS obligations not provided for by fixed-price full requirements suppliers and procure any additional required AECs through PECO’s Tier I and Tier II “balancing” procurements previously authorized by the Commission. As described above, the AECs from the Solar PPAs will be used to meet the AEPS requirements associated with the spot portion of residential default service load served by PECO.

D. Contingency Plans

(1) Full Requirements

PECO will continue utilizing the contingency plans approved in prior default service programs. Specifically, in the event PECO fails to obtain sufficient approved bids for all offered tranches for a product in a solicitation, the unfilled tranches will be included in PECO’s next default supply solicitation for that product. PECO will supply any unserved portion of its default service load from the PJM-administered markets for energy, capacity and ancillary services. If a supplier default occurs within a reasonable time before a scheduled procurement, the load served by the defaulting supplier will be incorporated into that next procurement. Otherwise, PECO will file a plan with the Commission proposing alternative procurement options and a request for approval on an expedited basis.

(2) **AEPS Requirements**

PECO will issue the Solar RFP by the second quarter of 2025 in order to conduct the procurement in the third quarter of 2025. If this procurement does not result in a total contracted capacity of 25 MW (DC), PECO will conduct a second procurement within six to twelve months of the first procurement; provided, however, that if the capacity that was not contracted is less than 10 MW (DC), PECO shall have sole discretion whether to conduct a second procurement for that capacity. In the event these procurements are not successful, there will be no shortfall in AECs necessary considering the obligation of full requirements suppliers to deliver AECs and PECO's existing authority to obtain any additional required AECs through PECO's Tier I and Tier II "balancing" procurements previously authorized by the Commission.

E. Rate Design and Cost Recovery

(1) **Generation Supply Adjustment**

PECO will continue to recover the cost of default service from default service customers through the Generation Supply Adjustment ("GSA") and Transmission Service Charge ("TSC") consistent with DSP V. For the Small Commercial customer classes, default service rates established pursuant to the GSA will change semi-annually instead of quarterly and over/under collections of default service costs will continue to be reconciled on a semi-annual basis. Such rates will continue to recover: (1) generation costs, certain transmission costs and ancillary service costs established through PECO's competitive procurements; (2) supply management, administrative costs (including costs incurred to implement Commission-approved retail enhancement programs) and working capital, as provided in 52 Pa. Code § 69.1808; and (3) applicable taxes. The projected GSA will be filed by PECO on June 1 and December 1 of each year. The GSA and TSC form the basis of the Price-to-Compare ("PTC") that customers may

use to evaluate competitive generation service offerings. Also, PECO shall be permitted to file the GSA and Reconciliation tariff pages to become effective as of June 1, 2025.

(2) **Recovery of Certain PJM Charges**

PECO will continue to be responsible for and recover the following PJM charges from all distribution customers in PECO's service area through its Non-Bypassable Transmission Charge: Generation Deactivation/RMR charges (PJM bill line 1930) set after December 4, 2014; RTEP charges (PJM bill line 1108); and Expansion Cost Recovery charges (PJM bill line 1730).

(3) **Time-of Use Rates**

During DSP VI, PECO will continue its current Commission-approved TOU default service rate options for eligible customers in PECO's Small Commercial procurement classes to comply with PECO's obligation under Act 129 of 2008 ("Act 129") to offer TOU and real-time rates to all default service customers with smart meters.

PECO will perform a one-time evaluation of the Company's current TOU rate structure and present the results in its next default service filing. PECO's evaluation will include an assessment of enrollment rates and customer characteristics conducted through a voluntary email survey of all participating TOU customers (e.g., income, air conditioning, rooftop solar and electric vehicles ownership, etc.). The survey will include questions regarding whether customers would prefer an incentive-based program which PECO will use to inform the Company on whether to consider proposing incentive-based time varying rates in future proceedings. Additionally, PECO's evaluation will include an analysis of seasonal variation in the calculation of the TOU multipliers.

(i) TOU Product Structure and Rate Design

PECO's TOU small commercial rates will differentiate prices across three usage periods that are constant throughout the year as shown in Table 1 below.

Table 1

<u>TOU Pricing Period</u>	<u>Year-Round Days/Hours Included</u>
Peak	2 p.m. – 6 p.m. Monday Through Friday, excluding PJM holidays
Super Off-Peak	Midnight (12 a.m.) – 6 a.m. Every day
Off-Peak	All other hours

PECO's TOU price multipliers will continue to reflect the ratios calculated from average PJM PECO zone spot market prices as well as allocation of the cost of capacity to peak and off-peak hours only.

PECO will continue to review its TOU multipliers on an annual basis, using a rolling five years of historical PJM Day-Ahead Spot Market Pricing energy data and Reliability Pricing Model capacity pricing data for the PECO Zone. PECO will only update the applicable TOU pricing multipliers if the use of such data would result in no more than a 10% change from the prior-year's TOU pricing multipliers. If the price multiplier change would exceed 10%, the applicable pricing multipliers will be changed by exactly 10%.

PECO's TOU small commercial pricing multipliers effective June 1, 2023, through May 31, 2024, are shown in Table 2 below. The updated multipliers for the first year of DSP VI will be reflected in PECO's GSA filing 45 days before June 1, 2025.

Table 2

<u>TOU Pricing Period</u>	<u>GSA-1 TOU Pricing Multipliers*</u>	<u>GSA-2 TOU Pricing Multipliers*</u>
Peak	7.21	5.56
Super Off-Peak	1	1
Off-Peak	1.46	1.55

*Ratio to Super Off-Peak TOU price

PECO will use the standard default service GSA as the reference price for PECO's TOU rate calculations. It will also calculate the TOU rates on a semi-annual basis, synchronized with the GSA adjustment periods as agreed to in this Settlement for the Small Commercial Classes. TOU customer kWh sales and costs will be included in the semi-annual reconciliation of the over/under collection component of the GSA for the procurement class (Small Commercial).

(4) Customer Eligibility

PECO's TOU rates will be available to small commercial default service customers with smart meters configured to measure energy consumption in watt-hours.

Eligible default service customers may enroll in PECO's TOU Rates online or through the Company's care center. Participating customers will remain on the TOU rate until they affirmatively elect to return to PECO's standard default service rate, switch to an EGS or otherwise become ineligible. Customers who select the TOU rate may leave at any time without incurring related penalties or fees. However, if those customers subsequently leave the TOU

Rate for any reason, they may not re-enroll for twelve billing months after switching off the TOU Rate.

F. Implementation Plan and Cost Recovery

PECO will continue to use the communications plan approved in the DSP V proceeding to inform customers about TOU rates and update enrolled TOU customers about the opportunity for bill savings. This plan includes a webpage dedicated to the TOU Rates, a variety of other customer education materials, and monthly e-mail communications to enrolled TOU customers. It will recover the costs to implement the new TOU rates from customers in the eligible procurement classes (*i.e.*, the Residential and Small Commercial Classes) through the administrative cost factor of the GSA.

G. Standard Offer Program

The currently effective Standard Offer Program (“SOP”), including the cost recovery mechanisms last approved by the Commission in PECO’s DSP V proceeding, will continue as modified by this Settlement until May 31, 2029, unless ordered by the Commission to be terminated sooner. The OSBA agrees that for all SOP contracts executed after June 1, 2025, EGSs must automatically transfer SOP customers to default service upon the expiration of the SOP contract unless the customer affirmatively elects to remain with the SOP supplier. PECO’s Electric Generation Supplier Coordination Tariff (“Supplier Tariff”). PECO will change its SOP scripting to inform all customers who enroll after June 1, 2025, with enrollment in an SOP contract under those terms operating as consent to return to default service absent an affirmative decision to remain with the SOP supplier at the end of the term.

THE SETTLEMENT IS IN THE PUBLIC INTEREST

The OSBA submits that the Settlement is in the public interest for the following additional reasons:

- ***Substantial Litigation and Associated Costs Will Be Avoided.*** The Settlement amicably and expeditiously resolves several important and contentious issues. The administrative burden and costs to litigate these matters to conclusion would be substantial.
- ***The Settlement Is Consistent with Commission Policies Promoting Negotiated Settlements.*** The Joint Petitioners arrived at the Settlement terms after conducting extensive discovery and engaging in in-depth discussions over several weeks. The Settlement terms and conditions constitute a carefully crafted package representing reasonable negotiated compromises on the issues addressed herein. Thus, the Settlement is consistent with the Commission's rules and practices encouraging negotiated settlements (*see* 52 Pa. Code §§ 5.231, 69.391 and 69.401), and is supported by a substantial record.

ADDITIONAL TERMS AND CONDITIONS

The OSBA agree that this Settlement represents the default service procurement plan for all of PECO's customer classes for the Revised DSP VI term. PECO shall be entitled to recover all costs incurred by the Company under its procurement plan as set forth in this Settlement, and the OSBA agrees that it shall neither challenge nor seek disallowance of such costs (including pursuant to 66 Pa.C.S. §§ 2807(e)(3.8) and (3.9)), provided that PECO's procurements are made in accordance with the approved plan and there has been no fraud, collusion, or market manipulation with regard to the contracts entered into under the plan.

This Settlement is conditioned upon the Commission's approval of the terms and conditions contained herein without modification. If the Commission should disapprove the Settlement or modify the terms and conditions herein, this Settlement may be withdrawn upon written notice to the Commission and all active parties within five business days following entry of the Commission's Order by any of the Joint Petitioners and, in such event, shall be of no force and effect. If the Commission disapproves the Settlement or the Company or the OSBA elects to withdraw as provided above, it reserves its rights to fully litigate this case, including but not limited to presentation of witnesses, cross-examination and legal argument through submission of Briefs, Exceptions and Replies to Exceptions.

If the Administrative Law Judges, in their Recommended Decision, recommend that the Commission adopt the Settlement as herein proposed without modification, OSBA agrees to waive the filing of Exceptions. However, the OSBA does not waive their rights to file Exceptions with respect to any modifications to the terms and conditions of this Settlement, or any additional matters proposed by the Administrative Law Judges in their Recommended Decision. The OSBA also reserves the right to file Replies to any Exceptions that may be filed.

WHEREFORE, the OSBA, respectfully requests that Administrative Law Judges Vero and Ashton issue a Recommended Decision and the Commission enter an Order:

1. Approving the Settlement and PECO's Revised DSP VI, as set forth herein, including all terms and conditions thereof;
2. Approving the selection of NERA Economic Consulting to continue as the third-party Independent Evaluator for PECO's default service procurements;
3. Approving the selection of NERA Economic Consulting to serve as the third-party Independent Evaluator for PECO's long-term solar procurement;
4. Finding that PECO's Revised DSP VI includes prudent steps necessary to negotiate favorable generation supply contracts;
5. Finding that the PECO's Revised DSP VI includes prudent steps necessary to obtain least cost generation supply contracts on a long-term, short-term and spot market basis;
6. Finding that neither PECO nor its affiliates have withheld from the market any generation supply in a manner that violates federal law;
7. Finding that PECO's TOU rate options agreed to under this Settlement satisfy PECO's obligations under 66 Pa.C.S. § 2807(f)(5);
8. Granting a waiver of the rate design provisions of 52 Pa. Code § 54.187, to the extent necessary, to permit PECO to continue to procure generation for three procurement classes, quarterly filing of hourly-priced default service rates and semi-annual reconciliation of the over/under collection component of the GSA for all default service customers as set forth in PECO's Revised DSP VI;
9. Authorizing the Electric Service Tariff and Supplier Tariff to become effective as of June 1, 2025.

10. Terminating the proceeding at Docket No. P-2024-3046008 following a Commission decision on the issues raised by the non-settling parties.

Conclusion

For the reasons set forth in the *Joint Petition*, as well as the additional factors that are enumerated in this statement, the OSBA supports the proposed *Joint Petition* and respectfully requests that the ALJ and the Commission approve the *Joint Petition* in its entirety.

Respectfully submitted,

/s/ Rebecca Lyttle

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Dated: July 3, 2024

Statement D

**Statement in Support of Joint Petition for Non-Unanimous Settlement of
the Energy Justice Advocates**

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PECO Energy Company for
Approval of Its Default Service Plan for the
Period from June 1, 2025 Through May 31,
2029

Docket No. P-2024-3046008

**STATEMENT OF THE ENERGY JUSTICE ADVOCATES
IN SUPPORT OF THE
JOINT PETITION FOR NON-UNANIMOUS SETTLEMENT**

I. INTRODUCTION

POWER Interfaith (“POWER”), Vote Solar, Clean Air Council, Sierra Club, Physicians for Social Responsibility, and PennEnvironment (the “Energy Justice Advocates”), by and through their counsel, submit this Statement (the “Statement”) in Support of the Joint Petition for Non-Unanimous Settlement (the “Joint Petition”) in the above-captioned proceeding (the “Proceeding”) of the Pennsylvania Public Utility Commission (the “Commission”). After a process of extensive negotiations, the Energy Justice Advocates, along with other parties in this Proceeding, have agreed upon the settlement terms reflected in the Joint Petition. The Energy Justice Advocates submit that the terms of the Joint Petition, taken as a whole, represent a disposition of the Proceeding that would be in the public interest and respectfully request that the Joint Petition be approved by the Commission without modification.

II. BACKGROUND

1. The Energy Justice Advocates accept and adopt the procedural history of this Proceeding as set forth above in the Joint Petition to which this Statement is appended.

III. STATEMENT IN SUPPORT

2. As the Commission’s regulations provide, “[i]t is the policy of the Commission to encourage settlements.” 52 Pa. Code § 5.231(a).

3. This is because, “[i]n the Commission's judgment, the results achieved from a negotiated settlement or stipulation, or both, in which the interested parties have had an opportunity to participate are often preferable to those achieved at the conclusion of a fully litigated proceeding.” 52 Pa. Code § 69.401.

4. Consistent with these policies, the Energy Justice Advocates agree that it would be in the public interest for the Commission to approve the Joint Petition for the following reasons:

- a. The Joint Petition provides that PECO will procure, through a long-term power purchase agreement (“PPA”) or PPAs, the energy, capacity, and solar photovoltaic alternative energy credits generated by one or more new Pennsylvania solar photovoltaic projects with a total capacity of 25 MW (DC).
- b. The Joint Petition also provides that PECO will confer in good faith with the Joint Petitioners to develop a form request for proposals and solar PPA to be used to conduct this procurement; that PECO will within forty-five days of the Commission’s Final Order in this Proceeding file these proposed documents with the Commission for review and approval; and that parties to this Proceeding will have the right to comment on these proposed documents for a thirty day period after the filing.
- c. The Joint Petition also provides that PECO will publish the winning price (\$/MWh) and capacity (MW) of the executed PPA (or if more than one PPA is executed, the capacity of each PPA (MW) and the weighted average winning price (\$/MWh)) that is approved by the Commission.
- d. This procurement is in the public interest because PECO will use the solar energy, capacity, and alternative energy credits so procured to help support affordable and reliable default service as part of a prudent mix of supply contracts.

- e. This procurement is also in the public interest because it will support the development of new solar photovoltaic projects in Pennsylvania, which will increase the amount of zero emission renewable energy generation in Pennsylvania; provide economic development benefits, including green jobs; and provide environmental benefits, including climate and local air quality benefits.
- f. The Joint Petition also includes numerous measures to improve access to PECO's Customer Assistance Program for applicants being served by retail electric suppliers, which are in the public interest because they will help support customers obtaining the benefit of affordability assistance they have a right to use.

5. The Joint Petition represents a carefully crafted package of agreements reached among the parties after extensive good faith negotiation and should be approved by the Commission without modification.

6. The Joint Petition avoids protracted litigation and enables the parties to avoid expending the substantial resources that would be required to fully litigate the Proceeding.

IV. CONCLUSION

WHEREFORE, the Energy Justice Advocates respectfully request that the Commission approve the Joint Petition without modification.

Dated: July 10, 2024

Respectfully submitted,
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Statement E

**Statement in Support of Joint Petition for Non-Unanimous Settlement of
the Tenant Union Representative Network and the
Coalition for Affordable Utility Services and Energy Efficiency in
Pennsylvania**

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

	:	
PETITION OF PECO ENERGY COMPANY	:	
FOR APPROVAL OF ITS DEFAULT	:	DOCKET NO. P-2024-3046008
SERVICE PROGRAM FOR THE PERIOD	:	
FROM JUNE 1, 2025 THROUGH MAY 31,	:	
2029	:	

**STATEMENT OF TENANT UNION REPRESENTATIVE NETWORK
AND COALITION FOR AFFORDABLE UTILITY SERVICES
AND ENERGY EFFICIENCY IN PENNSYLVANIA
IN SUPPORT OF THE JOINT PETITION FOR NON-UNANIMOUS SETTLEMENT**

I. INTRODUCTION

The July 5, 2024 Joint Petition for Non-Unanimous Settlement (Joint Petition) sets forth the procedural background of this proceeding, in paragraphs 1 through 11. As noted therein, PECO Energy Company (PECO) filed its petition for approval of its Default Service Program for June 1, 2025 through May 31, 2029 on February 2, 2024 (DSP VI). Joint Petition ¶1. Tenant Union Representative Network (TURN) and Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA) jointly petitioned to intervene in PECO’s DSP VI proceeding on March 4, 2024. Administrative Law Judges (ALJs) Eranda Vero and Arlene Ashton approved TURN/CAUSE-PA’s intervention by order on April 2, 2024. In this proceeding, TURN/CAUSE-PA conducted discovery of PECO and proffered direct, rebuttal and surrebuttal testimony and exhibits of their witness, Elizabeth R. Marx, Esq., which ALJ Vero admitted on the record at a telephonic evidentiary hearing on July 5, 2024. Joint Petition ¶10.

TURN/CAUSE-PA participated in settlement discussions with the parties, reaching the agreements reflected in the Joint Petition. Joint Petition ¶11.

TURN/CAUSE-PA's direct testimony raised concerns regarding the costs residential customers face when shopping for EGS supply, demonstrating that over the 72-month period from January 2018 through December 2023, residential customers paid more than \$800 million, approximately 150%, more for EGS supply than they would have paid for default service. Residential customers did not save, on average, in any single month over the 72-month period. TURN/CAUSE-PA's direct testimony demonstrated that confirmed low income (CLI) customers who shop for EGS supply experience the highest priced electricity, on average, in the competitive market.

TURN/CAUSE-PA's witness recommended that PECO facilitate access to CAP for CLI customers who have chosen EGS supply. In specific, TURN/CAUSE-PA recommended PECO's CAP prohibit EGSs from imposing early termination or cancellation fees and that PECO's CAP application provide authorization for PECO to remove EGS supply upon enrollment of the CLI customer in CAP. TURN/CAUSE-PA supported PECO's proposed revision to its bill format, to include the actual price of EGS supply compared to the PECO PTC, in order that the customer can easily compare the cost of their EGS contract with the cost they would otherwise pay to PECO. Finally, TURN/CAUSE-PA recommended that PECO include additional language in its call center scripts for customers asking about Time of Use (TOU) rates to help direct CLI customers to CAP instead of TOU rates and to conduct direct outreach to CLI customers who select TOU rates to encourage those customers to return to default service and enroll in CAP.

TURN/CAUSE-PA's rebuttal testimony responded to RESA's testimony, which submitted that the Commission should commence a statewide investigation into the use of the term "Price

to Compare,” or PTC. Ms. Marx supported continuing customer education regarding the PTC and other terms/conditions of EGS supply, and opposed RESA’s proposed statewide investigation. TURN/CAUSE-PA also responded to RESA’s opposition to PECO’s bill format changes and the Office of Consumer Advocate’s (OCA) recommendations regarding PECO’s bill format changes.

Finally, TURN/CAUSE-PA’s surrebuttal testimony reiterated TURN/CAUSE-PA’s opposition to a statewide investigation recommended by RESA and demonstrated that, contrary to RESA’s rebuttal testimony, EGS offers with volumetric prices below PECO’s PTC frequently include fixed, monthly and daily charges that make them more costly to consumers. Customers cannot readily obtain apples-to-apples pricing information for such offers, underscoring the need for PECO’s bill format changes. Ms. Marx’s surrebuttal also responded to PECO’s rebuttal testimony (witness Dalessio). Ms. Marx maintained that PECO could prohibit EGS early termination and cancellation fees for CAP enrollees and explained the economic basis supporting such prohibition. Likewise, Ms. Marx’s surrebuttal supported using PECO’s CAP application to authorize removal of EGS supply.

All of the issues raised by TURN/CAUSE-PA’s witness are addressed in some manner the Joint Petition, and TURN/CAUSE-PA respectfully submit that the Joint Petition should be approved.

II. SETTLEMENT

A. TURN/CAUSE-PA Support for Settlement Provisions

The Joint Petition sets forth that each term and condition included therein constitutes material consideration for the Joint Petitioners’ agreement to enter into the proposed Settlement. Joint Petition ¶76. Accordingly, TURN/CAUSE-PA support each and every provision of the

Joint Petition and do not, by discussing certain provisions below, submit that other provisions not discussed herein are any less material to TURN/CAUSE-PA's entry into the proposed Settlement. To the contrary, TURN/CAUSE-PA simply highlight those provisions of the Joint Petition, below, that most closely reflect or address the specific recommendations presented by TURN/CAUSE-PA's witness.

Taken together, the terms of the Joint Petition reflect agreements to address the interrelated issues raised by the Joint Petitioners throughout this proceeding.

1. Time-of-Use Rates

PECO has proposed to continue to offer TOU rates for eligible residential and small commercial default service customers with smart meters. Joint Petition ¶46. Accordingly, CAP customers, who are ineligible under PECO's current TOU rates, will not be able to participate in order that they do not experience "potential adverse impacts" on CAP benefits. Joint Petition ¶54. PECO will perform a one-time evaluation to assess enrollment rates and customer characteristics, as well as to seek information to inform PECO in considering potential incentive-based time-varying rates in the future. Joint Petition ¶47. PECO has agreed to include a disclosure on its TOU website to alert customers who may be having trouble affording their bills to contact PECO directly to apply for assistance. Joint Petition ¶58. Additionally, PECO agrees to attempt personal contact with confirmed low income (CLI) customers who are enrolled in TOU to encourage them to enroll in PECO's Customer Assistance Program (CAP). Joint Petition ¶59. Finally, PECO will conduct an annual evaluation of its TOU rates on CLI customers, tracking income and demographic data that customers provide, as part of its Act 129 reporting. Joint Petition ¶60, 61.

TURN/CAUSE-PA submit that the program modifications and customer service enhancements associated with the Joint Petition's TOU provisions are appropriate measures, at

this time, to provide protections to vulnerable customers as PECO continues to offer TOU rates. Accordingly, TURN/CAUSE-PA support the TOU terms and conditions set forth in the Joint Petition.

2. *CAP Provisions*

As set forth in the Joint Petition, the parties agree that, commencing with EGS contracts executed after June 1, 2025, EGSs will not be permitted to charge early cancellation, termination or other fees to any shopping customer that is transitioning into PECO's CAP. This restriction is incorporated into PECO's Supplier Tariff and will be communicated to CAP participants via PECO's CAP Welcome Letter, together with information about pursuing informal complaints if the supplier seeks to recover prohibited fees. Joint Petition ¶¶67, 69. PECO also agrees to certain CAP administrative changes, including: adding language to its CAP Follow-up Letter to explain that CAP applicants must return to default service and offering assistance in doing so; assisting CAP applicants with removal of generation suppliers, and updating call center scripts to reflect this practice; and tracking and reporting, at least every six months, the number of CAP applicants who were issued a "Customer Refuse to Drop Supplier" letter. Joint Petition ¶¶68(a), (b), (d). PECO also agrees to convene a stakeholder process to discuss modifications to its CAP application (to authorize PECO to return applicants to default service upon enrollment in CAP) and to filing and supporting its modified CAP application in its next default service proceeding. Joint Petition ¶¶68(c).

TURN/CAUSE-PA submit that the Joint Petition commits PECO to providing meaningful additional protections for CAP customers, promoting access to CAP and avoidance of unnecessary fees and charges. Implementing these protections, and incorporating them into customer service practices, is of vital importance to the low-income PECO customers who require CAP to maintain essential utility services. Additionally, the Joint Petition establishes a

process to further streamline access to CAP in the future, consistent with TURN/CAUSE-PA's witness testimony. TURN/CAUSE-PA support the CAP provisions set forth in the Joint Petition.

B. The Non-Unanimous Settlement is in the Public Interest

The Joint Petition reflects concerted efforts by the Joint Petitioners to find common ground and reasonable compromise. As discussed above, each term and condition set forth in the Joint Petition is material to TURN/CAUSE-PA's entry into the proposed Settlement. The Joint Petition addresses the majority of concerns raised by Joint Petitioners. TURN/CAUSE-PA submit that approval of the Joint Petition provides the additional benefits of avoiding cost and burden of litigation. See Joint Petition ¶73. Furthermore, approval of the Joint Petition is consistent with Commission policy in encouraging negotiated settlements. *Id.*

III. CONCLUSION

For all the forgoing reasons, TURN/CAUSE-PA submit that the Joint Petition, and the settlement terms set forth therein, should be approved by the Commission.

Respectfully submitted,

s/Daniela Rakhlina-Powsner

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