



**[Commenter 4] Comments  
on Second Draft Indexed  
REC Contract**



March 8, 2022

**VIA ELECTRONIC MAIL**

Illinois-RFP@nera.com

To Illinois Power Agency Procurement Administrator:

On behalf of [Commenter 4] we are submitting our response to the request for comments on the second Draft Indexed REC Contract posted by the Procurement Administrator on February 23<sup>rd</sup>, 2022. [Commenter 4] appreciates the efforts by the Procurement Administrator to develop the Spring 2022 Procurement Event and is grateful for the opportunity to provide feedback.


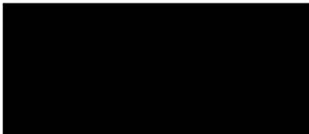
**Introduction**

[Commenter 4] is an independent power producer that develops, builds, and operates renewable energy power and energy storage facilities in [Countries]. With an installed capacity of 2.5 GW,

[Commenter 4] is a leader in the [Countries]. [Commenter 4] is recognized for its solid experience in optimizing its asset base in four power generation types — wind, hydroelectric, storage, and solar. [Commenter 4] ensures sustained growth by leveraging the expertise and diversification developed over the past [number] years.

[Commenter 4] understands that the decisions we make today help shape our shared energy future. We are equally committed to our role as a responsible and ethical neighbor, employer, taxpayer, and steward of the environment. We engage with stakeholders early, often, and broadly in informed discussions to ensure that our projects are consistent with local interests. We grow the economies of the communities where we operate by creating community investments and purchasing goods and services locally.

The recently enacted Climate and Equitable Jobs Act (the “Act”) established Illinois as a national leader on climate action. We look forward to supporting this effort and to contributing to its success by participating in the procurement programs in the State of Illinois.



## Feedback regarding the February 23<sup>rd</sup>, 2022, Draft Indexed RECs Contract

We are pleased to provide our comments in the form of a blackline mark-up word document attached to this email. Our mark-up includes clarifying notes to draft. While the mark-up is self-explanatory, we wish to take this opportunity to emphasize the following themes. In all cases these points are intended to provide greater protection for the project developer against events that create uncertainty in the project's ability to accurately estimate the project's revenues and costs. Such risks have a detrimental effect on the Project's financeability and economics, and in turn preclude the proponent from offering a RECs Strike Price as low as it otherwise may have been.

1. Cost Recovery through Pass-Through Tariffs (Sec 5.4): Both paragraphs of this section create uncertainty regarding the extent to which the Project will receive the contracted REC revenue for deliveries in any one year. We urge IPA to delete Section 5.4 in its entirety to allow the Projects a greater certainty of revenues, which is critical for Project financeability.
  - a. We believe that subsection 1-75(c)(1)(E) of the Act should not be used in Section 5.4 as a means to establish a payment cap under the Agreement. Similar to the calculation under (c)(1)(G)(v)(3), the calculation of Available Funds under (c)(1)(E) appears to be intended for IPA planning and budgeting purposes only, rather than to be applied as a payment cap under REC contracts. Specifically, (c)(1)(E) states in part that, *"The calculations required by this subparagraph (E) shall be made only once for each delivery year at the time that the renewable energy resources are procured. Once the determination as to the amount of renewable energy resources to procure is made based on the calculations set forth in this subparagraph (E) and the contracts procuring those amounts are executed, no subsequent rate impact determinations shall be made and no adjustments to those contract amounts shall be allowed."*
  - b. The language in the second paragraph of Section 5.4 is equally problematic as it would have a material negative effect on financeability and potential terms of a tax equity and non-recourse financing deal.
2. Force Majeure (Article 10): The Force Majeure provision presented provides for an unusually high risk profile for the developer. In the attached mark-up we propose a more balanced approach. In particular, (i) the FM relief should start as soon as the uncontrollable event prevents the Claiming Party from fulfilling its obligations under the Agreement rather than following notice of the event (leaving the obligation of prompt notice in place); (ii) [Commenter 4] does not understand the deletion of originally proposed language clarifying that delays caused by interconnection or transmission providers would constitute Force Majeure, and (iii) in the context of this Agreement all curtailment events that are outside of the control of Seller should constitute Force Majeure, particularly when there is a Shortfall default provision that includes all Shortfall during the Term cumulatively and not, as it is more common, taking into account a subset of Shortfall years. This would include all curtailments ordered/imposed by a competent authority on the Project, regardless of the cause, duration or Delivery Year.

3. Increased Costs Protection: Financing parties will require some certainty on the exposure relating to costs associated with changes in law or regulation. [Commenter 4] tried to address this financeability issue by including some increased costs protection relating to the costs resulting from future Environmental Attributes (Section 2.1(b)), changes in tax law (Section 5.5) and Governmental Actions (Section 11.1).
4. Events of Default (Sec. 9.2): We feel that there is a need to allow greater flexibility in the language of this section. The cure periods are not adequate. The norm cure period should be no shorter than the one granted to Buyer in Section 9.1(a), which [Commenter 4] believes should be, and customarily is, around 30 calendar days. In addition, [Commenter 4] would like to include changes that would provide the non-defaulting party with an option to terminate instead of the obligation to do so and that would require the parties to behave reasonably.
5. Return of RECs: (Sec 2.3): The latest draft includes improved language relating to return mechanics for Ineligible RECs and Excess RECs inadvertently transferred to Buyer. It should be clear that RECs transferred while a suspension of the irrevocable Standing Order takes effect following the suspension of the Agreement pursuant to its terms should also be returned.

The above points in addition to our other proposed contract adjustments are more fully addressed in the attached draft mark-up of the Agreement. We hope that our mark-up of the contract and the above discussion will be helpful in IPA's process of deciding what adjustments will be made in the next iteration of the Agreement.

Sincerely,

[Commenter 4]'s representative



**Master  
Renewable  
Energy Credit  
Purchase and Sale  
Agreement  
(DRAFT)**

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**MASTER RENEWABLE ENERGY CREDIT  
PURCHASE AND SALE AGREEMENT**

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## MASTER RENEWABLE ENERGY CREDIT PURCHASE AND SALE AGREEMENT

THIS RENEWABLE ENERGY CREDIT AGREEMENT (the “Agreement”) is entered into as of this \_\_\_ day of \_\_\_\_\_, 20\_\_ (the “Effective Date”), by and between \_\_\_\_\_ (“Seller” or “Party A”) and [Ameren Illinois Company d/b/a Ameren Illinois / Commonwealth Edison Company / MidAmerican Energy Company] (“Buyer” or “Party B”). Each of Seller and Buyer is sometimes referred to herein as a “Party” or collectively as the “Parties.”

### RECITALS

**WHEREAS**, the Illinois Power Agency (“IPA”) issued a Request for Proposals (the “RFP”) for the purchase of Renewable Energy Credits (“RECs”) by Illinois electric utilities, for which bid results were approved by the Illinois Commerce Commission (“ICC”) on \_\_\_\_\_, 20\_\_ (“Commission Bid Approval Date”);

**WHEREAS**, Seller was a winning bidder with respect to the Project selected through the RFP;

**WHEREAS**, pursuant to the RFP, Buyer and Seller agreed to enter into this Agreement to set forth the terms and conditions of the Transaction entered into by the Parties; and

**WHEREAS**, each of Buyer and Seller believes it is in its best interest to enter into this Agreement.

**NOW, THEREFORE, FOR AND IN CONSIDERATION** of the mutual agreements contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

### ARTICLE 1: DEFINITIONS

1.1 “AAA” is defined in Section 15.2.

1.2 “Acceptable Vintage Period” means the period in which the applicable electricity generation associated with a REC must occur for such REC to be eligible for payment, and shall be the period starting on the first day of the Earliest Vintage Month and ending on the last day of the Latest Vintage Month.

1.3 “Affiliate” means, with respect to any person, any other person (other than an individual) that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such person, with “control” meaning the possession, directly or indirectly, of the power to direct or cause the direction of the management, policies, or activities of a person, whether through ownership or voting securities, by contract or otherwise.

1.4 “Agreement” means this Master Renewable Energy Credit Purchase and Sale Agreement.

1.5 “Annual Quantity” means a quantity of RECs specified as such in the Product Order of the Agreement, which reflects the portion of the RFP Awarded Annual Quantity allocated to this Agreement.

1.6 “Applicable Program” means the Illinois Renewable Portfolio Standard, as established under 20 Ill. Comp. Stat. 3855/1-75, or successor.

1.7 “Bankrupt” means an entity that has (i) filed a petition or otherwise commenced,

authorized or acquiesced in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, (ii) had any such petition filed or commenced against it and not dismissed within 60 days, (iii) made an assignment or any general arrangement for the benefit of creditors, (iv) otherwise become bankrupt or insolvent, however evidenced, (v) had a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (vi) become generally unable to pay its debts as they fall due.

1.8 “Brownfield Site Photovoltaic Project” means an electric generation facility that generates electricity using photovoltaic cells and that either: (x) (1) is interconnected to an electric utility as defined in Section 1-10 of the IPA Act, a municipal utility as defined in Section 1-10 of the IPA Act, a public utility as defined in Section 3-105 of the Public Utilities Act, or an electric cooperative, as defined in Section 3-119 of the Public Utilities Act; and (2) is located at a site that is regulated by any of the following entities under the following programs: (a) the United States Environmental Protection Agency under the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended; (b) the United States Environmental Protection Agency under the Corrective Action Program of the federal Resource Conservation and Recovery Act, as amended; (c) the Illinois Environmental Protection Agency under the Illinois Site Remediation Program; or (d) the Illinois Environmental Protection Agency under the Illinois Solid Waste Program; or: (y) is located at the site of a coal mine that has permanently ceased coal production, permanently halted any re-mining operations, and is no longer accepting any coal combustion residues; has both completed all clean-up and remediation obligations under the federal Surface Mining and Reclamation Act of 1977 and all applicable Illinois rules and any other clean-up, remediation, or ongoing monitoring to safeguard the health and well-being of the people of the State of Illinois, as well as demonstrated compliance with all applicable federal and State environmental rules and regulations, including, but not limited, to 35 Ill. Adm. Code Part 845 and any rules for historic fill of coal combustion residuals, including any rules finalized in Subdocket A of Illinois Pollution Control Board docket R2020-019.

1.9 “Business Day” means any day except a Saturday, Sunday, or a Federal Reserve Bank holiday. A Business Day opens at 8:00 a.m. and closes at 5:00 p.m. local time for the relevant Party’s principal place of business. The relevant Party, in each instance unless otherwise specified, is the Party from whom the notice, payment or delivery is sent and by whom the notice or payment or delivery is received.

1.10 “Buyer” means the buyer of the Product, which shall be an Indexed Renewable Energy Credit Counterparty as defined in Section 1-10 of the IPA Act.

1.11 “Claiming Party” is defined in Section 10.1.

1.12 “Class of Resource” means the type of generating unit associated with the Project as specified in the Product Order of the Agreement.

1.13 “Collateral Requirement” means, (a) with respect to a Utility-Scale Wind Project, an amount equal to four dollars (\$4) times the Annual Quantity and which shall be reduced for the last Delivery Year, if applicable, to reflect an amount equal to the product of the Delivery Year Requirement for the last Delivery Year and four dollars (\$4); provided that if the Collateral Requirement is calculated to be less than \$20,000, then the Collateral Requirement shall be \$20,000; and means, (b) with respect to a Utility-Scale Solar Project or a Brownfield Site Photovoltaic Project, an amount equal to ten dollars (\$10) times the Annual Quantity and which shall be reduced for the last Delivery Year, if applicable, to reflect an amount equal to the product of the Delivery Year Requirement for the last Delivery Year and ten dollars (\$10); provided that if the Collateral Requirement is calculated to be less than \$50,000, then the Collateral Requirement shall be \$50,000.

1.14 “Collateral Threshold” is defined in Section 7.1.

1.15 “Commercially Reasonable Threshold” means, with respect to a Utility-Scale Wind Project, the result obtained by multiplying \$2.50 and the RFP Awarded Annual Quantity, and means with respect to a Utility-Scale Solar Project or a Brownfield Site Photovoltaic Project, the result obtained by multiplying \$5.00 and the RFP Awarded Annual Quantity; provided that in either case the Commercially Reasonable Threshold shall be subject to a minimum of \$25,000 and a maximum of \$1,000,000. For example, if the Project is a Utility-Scale Wind Project and the RFP Awarded Annual Quantity is 6,000, then the Commercially Reasonable Threshold shall be \$25,000 given the result obtained by multiplying \$2.50 and the RFP Awarded Annual Quantity is less than \$25,000. Similarly, if the Project is a Utility-Scale Wind Project and the RFP Awarded Annual Quantity is 500,000, then the Commercially Reasonable Threshold shall be capped at \$1,000,000 given the result obtained by multiplying \$2.50 and the RFP Awarded Annual Quantity is greater than \$1,000,000.

1.16 “Credit Rating” means, with respect to the Seller or Seller’s Guarantor, as applicable, the rating then assigned to such entity’s unsecured, senior long-term debt obligations (excluding, however, any debt obligations that are supported by specific third party credit enhancement that would not apply to payment obligations under this Agreement) or if such entity does not have a rating for its senior unsecured long-term debt, then the rating then assigned to such entity as an issuer default rating by Fitch, or the issuer rating by Moody’s, or the corporate issuer rating or corporate credit rating by S&P if such entity is a U.S. utility operating company with an investment grade rating, or the corporate issuer rating or corporate credit rating, discounted one notch, by S&P if such entity is not a U.S. utility operating company with an investment grade rating; provided, however, that in the event Seller (or Seller’s Guarantor, if applicable) is rated by only one rating agency, that rating will be used. If Seller, or its Guarantor, is rated by only two rating agencies, and the ratings are split, the lower rating will be used. If Seller, or its Guarantor, is rated by three rating agencies, and the ratings are split, the lower of the two highest ratings will be used; provided that in the event that the two highest ratings are common, such common rating will be used.

1.17 “Date of First Operation” has meaning given to it in the PJM EIS GATS or M-RETS operating manuals.

1.18 “Default Rate” means a rate per annum equal to four percentage points (4%) over the per annum prime lending rate as may from time to time be published in The Wall Street Journal under “Money Rates.”

1.19 “Defaulting Party” is defined in Section 9.1 and Section 9.2.

1.20 “Deliver” or “Delivered” or “Delivery” means the transfer from Seller to Buyer of the Product by Seller to Buyer’s PJM-EIS GATS or M-RETS account via the established Standing Order.

1.21 “Delivery Date” means the scheduled date for the transfer of RECs each month pursuant to the Standing Order.

1.22 “Delivery Month” means any of calendar monthly periods within the Delivery Term for which RECs were Delivered.

1.23 “Delivery Term” means the period (i) starting on the date that the first REC is issued by PJM EIS GATS or M-RETS for the Project; provided that if the first REC issued for the Project is associated with a Vintage that is earlier than June 2022, then the Delivery Term shall start on the date that the first REC is issued for the Project associated with a Vintage of June 2022, and (ii) ending on the last day of the third month after the conclusion of the Acceptable Vintage Period.<sup>1</sup>

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<sup>1</sup> For example, if the Latest Vintage Month is May 2042, then the Delivery Term shall end on August 31, 2042 so as to accommodate the Delivery of RECs associated with the last month of the Acceptable Vintage Period.

1.24 “Delivery Year” means each consecutive twelve (12) calendar month period during the Acceptable Vintage Period beginning with June 1 of each calendar year through and including May 31 of the following calendar year; provided that if the Earliest Vintage Month is not June, (i) ~~the Delivery Year shall be~~ [[Commenter 4] Comment: There is already a reference to this period being a Delivery Year at the end of the definition.] the period commencing on the first day of the Earliest Vintage Month through and including the immediately following May 31st and (ii) the period commencing on June 1 immediately prior to the end of the Acceptable Vintage Period through and including the last day of the Latest Vintage Month shall, in each case, be a Delivery Year.

1.25 “Delivery Year Degradation Factor” means, with respect to a Utility-Scale Solar Project or a Brownfield Site Photovoltaic Project, 1 for Delivery Year 1, 0.995 for Delivery Year 2, 0.990 for Delivery Year 3, 0.985 for Delivery Year 4, 0.980 for Delivery Year 5, 0.975 for Delivery Year 6, 0.970 for Delivery Year 7, 0.965 for Delivery Year 8, 0.960 for Delivery Year 9, 0.955 for Delivery Year 10, 0.950 for Delivery Year 11, 0.945 for Delivery Year 12, 0.940 for Delivery Year 13, 0.935 for Delivery Year 14, 0.930 for Delivery Year 15, 0.925 for Delivery Year 16, 0.920 for Delivery Year 17, 0.915 for Delivery Year 18, 0.910 for Delivery Year 19, 0.905 for Delivery Year 20; where Delivery Year 1 is first full Delivery Year within the Acceptable Vintage Period. For purposes of determining the Delivery Year Degradation Factor, if the first Delivery Year is not a full Delivery Year such that the Earliest Vintage Month is not June, then the Delivery Year Degradation Factor for such partial Delivery Year shall be 1; and if the last Delivery Year is not Delivery Year 20 because the Acceptable Vintage Period has been extended beyond Delivery Year 20, then the Delivery Year Degradation Factor of each Delivery Year after Delivery Year 20 shall be 0.005 less than the prior year’s Delivery Year Degradation Factor. For avoidance of doubt, the Delivery Year Degradation Factor does not apply to Utility-Scale Wind Projects.

1.26 “Delivery Year Allocation Factor” means, (a) with respect to a Utility-Scale Wind Project, 1; and means, (b) with respect to a Utility-Scale Solar Project or a Brownfield Site Photovoltaic Project, the result obtained from dividing (i) the Delivery Year Degradation Factor by (ii) 19.05.

1.27 “Delivery Year Requirement” means with respect to a Project where the Date of First Operation has occurred, the quantity of RECs for a given Delivery Year equal to the multiplicative product of (a) the Delivery Year Allocation Factor and (b) the Maximum Contract Quantity, which shall be prorated for the number of days in the Delivery Year that is within the Acceptable Vintage Period; provided that the Delivery Year Requirement for any Delivery Year in which a Suspension Period occurs shall be adjusted based on the amount of Product actually Delivered prior to the start of such Suspension Period, and the Delivery Year Requirement for a Delivery Year that is extended as a result of the Suspension Period shall be correspondingly increased unless the Parties agree otherwise.

1.28 “Earliest Vintage Month” means the earliest Vintage associated with the RECs issued by PJM EIS GATS or M-RETS for the Project; provided that if such earliest Vintage is prior to June 2022, then the Earliest Vintage Month shall be June 2022.

1.29 “Early Termination Date” is defined in Section 9.3.

1.30 “Effective Date” means the date this Agreement became effective as written above.

1.31 “Environmental Attributes” excludes electric energy and capacity produced, but means any other emissions, air quality, or other environmental attribute, aspect, characteristic, claim, credit, benefit, reduction, offset or allowance, howsoever entitled or designated, resulting from, attributable to or associated with the generation of a renewable energy resource or low-carbon resource now or in the future eligible for procurement under Illinois law (See 20 ILCS 3855/1-56, 20 ILCS 3855/1-75, et. seq.), whether existing as of the Effective Date or in the future, and whether as a result of any present or future local, state or federal laws or regulations or local, state, national or international voluntary program, as well as any and all

generation attributes under any and all international, federal, regional, state or other law, rule, regulation, bylaw, treaty or other intergovernmental compact, decision, administrative decision, program (including any voluntary compliance or membership program), competitive market or business method (including all credits, certificates, benefits, and emission measurements, reductions, offsets and allowances related thereto) that are attributable, now or in the future; and further, means: (a) any such credits, certificates, benefits, offsets and allowances computed on the basis of the Project's generation using renewable technology or displacement of fossil-fuel derived or other conventional energy generation; (b) any certificates or credits issued pursuant to the PJM-EIS GATS or M-RETS in connection with energy generated by the Project; and (c) any voluntary emission reduction credits obtained or obtainable by Seller in connection with the generation of energy by the Project; provided, however, that Environmental Attributes shall not include: (i) any production tax credits; (ii) any investment tax credits or other tax credits associated with the construction or ownership of the Project; or (iii) any state, federal or private grants relating to the construction or ownership of the Project or the output thereof.

1.32 "Event of Default" is defined in Section 9.1 and Section 9.2.

1.33 "Excess RECs" is defined in Section 4.1(i).

1.34 "Equity Eligible Contractor" means a business that is majority-owned by Equity Eligible Persons, or a nonprofit or cooperative that is majority-governed by Equity Eligible Persons or is a natural person that is an Equity Eligible Person offering personal services as an independent contractor as defined in Section 1-10 of the IPA Act.

1.35 "Equity Eligible Persons" means persons who would most benefit from equitable investments by the State designed to combat discrimination, specifically: (a) persons who graduate from or are current or former participants in the Clean Jobs Workforce Network Program, the Clean Energy Contractor Incubator Program, the Illinois Climate Works Pre-apprenticeship Program, Returning Residents Clean Jobs Training Program, or the Clean Energy Primes Contractor Accelerator Program, and the solar training pipeline and multi-cultural jobs program created in paragraphs (a)(1) and (a)(3) of Section 16-108.12 of the Public Utilities Act; (b) persons who are graduates of or currently enrolled in the foster care system; (c) persons who were formerly incarcerated; (d) persons whose primary residence is in an Equity Investment Eligible Community as defined in Section 1-10 of the IPA Act.

1.36 "Equity Investment Eligible Community" means the geographic areas throughout Illinois which would most benefit from equitable investments by the State designed to combat discrimination. Specifically, Equity Investment Eligible Community shall be defined as the following areas: (a) R3 Areas as established pursuant to Section 10-40 of the Cannabis Regulation and Tax Act, where residents have historically been excluded from economic opportunities, including opportunities in the energy sector; and (b) environmental justice communities, as defined by the IPA pursuant to the IPA Act, where residents have historically been subject to disproportionate burdens of pollution, including pollution from the energy sector.

1.37 "Fitch" means Fitch Ratings Ltd.

1.38 "Force Majeure" is defined in Section 10.1.

1.39 "General Contractor" means the entity or organization with main responsibility for the building of a construction project and who is the party signing the prime construction contract for the Project.

1.40 "Government Action" means action by a Governmental Authority to change the eligibility of a Product for an Applicable Program or substantially change the requirements for compliance by persons obligated to comply with the Applicable Program which in either case has a material adverse

effect on the value of a Product under this Agreement.

1.41 “Governmental Authority” means any international, national, federal, provincial, state, municipal, county, regional or local government, administrative, judicial or regulatory entity operating under any applicable laws and includes any department, commission, bureau, board, administrative agency or regulatory body of any government.

1.42 “Guarantor” means the party named as the Guarantor in the Guaranty.

1.43 “Guaranty” means an irrevocable and unconditional guaranty made by Seller’s Guarantor, in the form attached hereto as Exhibit E-2, E-3 or E-5, as applicable, with such options as elected therefrom.

1.44 “ICC” means the Illinois Commerce Commission.

1.45 “Increased Collateral Requirement” means, (a) with respect to a Utility-Scale Wind Project, an amount equal to eight dollars (\$8) times the Annual Quantity; provided that if the Increased Collateral Requirement is calculated to be less than \$40,000, then the Increased Collateral Requirement shall be \$40,000; and means, (b) with respect to a Utility-Scale Solar Project or a Brownfield Site Photovoltaic Project, an amount equal to twenty dollars (\$20) times the Annual Quantity; provided that if the Increased Collateral Requirement is calculated to be less than \$100,000, then the Increased Collateral Requirement shall be \$100,000. The Increased Collateral Requirement shall equal the Collateral Requirement upon Delivery of one (1) REC from the Project by Seller by the extended deadline pursuant to Section 2.4.

1.46 “Index Price” means the real-time energy settlement price at the applicable Illinois trading hub, as indicated in the Product Order. Specifically, this means either the hourly Real-Time Locational Marginal Price for the Midcontinent Independent System Operator, Inc’s (“MISO”) Real-Time Energy and Operating Reserve Market for the Illinois Hub (“MISO-IL”) or the hourly Real-Time Locational Marginal Price for PJM Interconnection LLC’s (“PJM”) Real-Time Energy Market for the northern Illinois Hub (“PJM-NIHUB”). [Commenter 4] Comment: Please consider allowing Seller to change its election of the real-time market hub during the Delivery Term. Such flexibility would benefit the financeability of the projects.]

1.47 “Ineligible RECs” is defined in Section 2.1(c).

1.48 “IPA Act” means the Illinois Power Agency Act, 20 ILCS 3855.

1.49 “Invoice Due Date” is defined in Section 5.1.

1.50 “Latest Vintage Month” means the last month of the Acceptable Vintage Period, which shall be the 241<sup>st</sup> month since the start of the Acceptable Vintage Period. For example, if the Earliest Vintage Month is June 2022, then the Latest Vintage Month shall be June 2042, unless extended for any Suspension Period up to a maximum extension of seven hundred thirty (730) days.

1.51 “Letter of Credit” means an irrevocable, transferable standby letter of credit issued by a major U.S. commercial bank or the U.S. branch office or U.S. agency office of a foreign bank utilizing either of the forms attached as Exhibit E-1 to the Agreement or utilizing such forms with minor modifications that are acceptable to Buyer in its sole discretion.

1.52 “Maximum Contract Quantity” means a quantity of RECs specified as such in the Product Order of the Agreement.

1.53 “Moody’s” means Moody’s Investors Service, Inc.

1.54 “M-RETS” means the Midwest Renewable Energy Tracking System or successor.

1.55 “Nameplate Capacity” means the aggregate rated generator output in kilowatts AC.

1.56 “Non-Defaulting Party” is defined in Section 9.3.

1.57 “Price Calculation Notice” means a notice that is issued by the IPA to Buyer and Seller within twenty (20) days of the end of each month of the period in the Delivery Term containing information related to the REC Monthly Price of such month that has concluded. For the avoidance of doubt, the earliest possible first Price Calculation Notice would be issued no later than July 20, 2022 related to the REC Monthly Price associated with RECs that have a Vintage of June 2022.

1.58 “Performance Assurance” means collateral in the form of cash or letters of credit, or other security acceptable to the requesting Party.

1.59 “Performance Assurance Amount” is defined in Section 7.1.

1.60 “PJM EIS GATS” means the PJM Environmental Information Services, Inc. Generation Attribute Tracking System or successor.

1.61 “Potential Event of Default” means an event which, with notice or passage of time or both, would constitute an Event of Default.

1.62 “Potentially Defaulting Party” means a Party that, but for a cure of a Potential Event of Default or failure of performance, would be a Defaulting Party.

1.63 “Potentially Non-Defaulting Party” means a Party that, but for a cure of a Potential Event of Default or failure of performance by the Potentially Defaulting Party, would be a Non-Defaulting Party.

1.64 “Prevailing Wage Act” means the Illinois Prevailing Wage Act, 820 ILCS 130.

1.65 “Product” means the RECs to be Delivered under this Agreement, which shall include all Environmental Attributes.

1.66 “Product Order” is the form used by the Parties to effect a Transaction substantially in the form of Exhibit A specifying the terms of such Transaction.

1.67 “Project” means the Renewable Energy Facility identified in the Product Order of the Agreement that was selected through the RFP and from which the Product is sourced.

1.68 “Project Labor Agreement” means pre-hire collective bargaining agreement that covers all terms and conditions of employment on a specific construction project and must include the following: (a) provisions establishing the minimum hourly wage for each class of labor organization employee; (b) provisions establishing the benefits and other compensation for each class of labor organization employee; (c) provisions establishing that no strike or disputes will be engaged in by the labor organization employees; (d) provisions establishing that no lockout or disputes will be engaged in by the General Contractor building the project; and (e) provisions for minorities and women, as defined under the Business Enterprise for Minorities, Women, and Persons with Disabilities Act, setting forth goals for apprenticeship hours to be performed by minorities and women and setting forth goals for total hours to be performed by underrepresented minorities and women. A labor organization and the General Contractor building the project shall have the authority to include other terms and conditions as they deem necessary.

1.69 “Project Labor Agreements Act” means the Illinois Project Labor Agreements Act, 30 ILCS

571.

1.70 “Public Utilities Act” means the Illinois Public Utilities Act, 220 ILCS 5.

1.71 “REC Monthly Price” means, with respect to a Vintage month, the price for RECs specified in the Price Calculation Notice for such Vintage as calculated by the IPA and issued to Buyer and Seller. The REC Monthly Price for a Vintage month shall be applicable to all Delivered RECs associated with such Vintage month. The REC Monthly Price for a Vintage month shall be calculated by dividing (a) the sum of all REC Monthly Price Hourly Components in such Vintage month by (b) the MWh actual generation of the Project for such Vintage month, and rounding to the nearest cent. For avoidance of doubt, the MWh actual generation in (b) shall be the sum of all hourly MWh actual generation used to calculate the REC Monthly Price Hourly Components associated with such Vintage month as provided by Seller pursuant to Section 6.1. Further, for purposes of calculating the REC Monthly Price, the calculation shall assume a full Vintage month and using the Index Prices for all hours in such Vintage month and all MWh actual generation of the Project that occurred in such Vintage month regardless of whether part of the month is in a Suspension Period and regardless of how many or few RECs of such Vintage month are processed for payment.

1.72 “REC Monthly Price Hourly Component” means, with respect to a given hour of a Vintage month, the multiplicative product of (a) the result obtained by subtracting the Strike Price from the Index Price of such hour and (b) the MWh actual generation of the Project for such hour. For purposes of this calculation, the Index Price shall be the unrounded value as provided by the applicable Illinois trading hub and the MWh actual generation shall be the information as provided by Seller pursuant to Section 6.1, rounded to the sixth (6th) decimal place. For avoidance of doubt, with respect to a Project co-located with an energy storage facility, the MWh actual generation data shall be for energy generated exclusively from the Project as measured by the Project revenue quality meter (or alternative meter accepted by PJM EIS GATS or M-RETS) on the generator side of the electrical point of interconnection.

1.73 “Regulatorily Continuing” means, with respect to the Transaction, the Product shall comply with the requirements of the Applicable Program, as of each Delivery Date, and Seller will ~~do what is necessary~~ exercise commercially reasonable efforts to cause the Product that is Delivered to comply with such requirements; except as otherwise provided in Section 11.1. [Commenter 4] Comment: The change is needed for the protection in Section 11.1 to be meaningful. Otherwise, the Agreement could expose Seller to an open ended obligation to comply with currently unknown future regulation that would be unacceptable to financing parties.]

1.74 “Renewable Energy Credit” or “REC” means a tradable credit that represents all Environmental Attributes of one (1) megawatt hour of energy produced from a Renewable Energy Source.

1.75 “Renewable Energy Facility” means an electric generation unit or other facility or installation that produces electric energy using a Renewable Energy Source.

1.76 “Renewable Energy Source” means the applicable energy source of the Project, as indicated in the Product Order.

1.77 “Renewable Portfolio Standard” or “RPS” means the Illinois RPS as established under 20 Ill. Comp. Stat. 3855/1-75.

1.78 “RFP Awarded Annual Quantity” means a quantity of RECs specified as such in the Product Order of the Agreement, which reflects the total annual quantity of RECs that is awarded to Seller under the RFP.

1.79 “S&P” means S&P Global Ratings.

1.80 “Seller” means the seller of the Product.

1.81 “Settlement Amount” means ~~an amount that the Non-Defaulting Party is entitled to and that is to be paid by the Defaulting Party calculated pursuant to Sections 9.3 and 9.4~~ (a) with respect to Seller, all amounts that are due to Seller under this Agreement as of the time of calculation plus any damages suffered by Seller, as the Non-Defaulting Party, including lost profit as a result of the termination of this Agreement; and (b) with respect to Buyer, all amounts that are due to Seller under this Agreement as of the time of calculation plus any damages suffered by Buyer, as the Non-Defaulting Party, as a result of the termination of this Agreement. [[Commenter 4] Comment: A Termination Payment that excludes lost profit would be of great risk to Seller, particularly early in the Delivery Term when Seller would have just incurred in material costs to develop a Project.]

1.82 “Shortfall Amount” is defined in Section 4.1(f).

1.83 “Shortfall Year” is defined in Section 4.1(f).

1.84 “Standing Order” means, with respect to the Project, an agreement registered with PJM-EIS GATS or M-RETS for the automatic transfer of RECs issued for the Project to Buyer’s PJM-EIS GATS or M-RETS account on a recurring basis in accordance with Section 2.3 of this Agreement.

1.85 “Strike Price” means the bid price as offered by Seller through the RFP and as indicated in the Product Order.

1.86 “Suspension Period” means the period of time during which the obligations of the Parties under this Agreement are suspended in accordance with Section 10.1.

1.87 “Term” is defined in Section 3.2.

1.88 “Terminated Transaction” is defined in Section 9.3.

1.89 “Termination Payment” is defined in Section 9.4.

1.90 “Trade Date” means the Effective Date of this Agreement.

1.91 “Transaction” means a transaction as memorialized in a Product Order under this Agreement.

1.92 “Utility-Scale Solar Project” means an electric generating facility that: (a) generates electricity using photovoltaic cells; and (b) has a Nameplate Capacity that is greater than 5,000 kilowatts.

1.93 “Utility-Scale Wind Project” means an electric generating facility that: (a) generates electricity using wind; and (b) has a Nameplate Capacity that is greater than 5,000 kilowatts.

1.94 “Vintage” means, with respect to each REC, the month in which the applicable electricity generation occurred.

1.95 “WHO” means the World Health Organization or successor.

1.96 Rules of Interpretation. Unless otherwise required by the context in which any term appears, (a) the singular includes the plural and vice versa; (b) references to “Articles,” “Sections,” “Schedules,” “Annexes,” or “Exhibits” are to articles, sections, schedules, annexes, or exhibits hereof; (c) all references to a particular entity or market price index include a reference to such entity’s or index’s successors and (if applicable) permitted assigns; (d) the words “hereto,” “herein,” “hereof” and “hereunder”

refer to this Agreement as a whole and not to any particular Article, Section or subsection hereof; (e) all accounting terms not specifically defined herein will be construed in accordance with generally accepted accounting principles in the United States of America, consistently applied; (f) references to this Agreement include a reference to all appendices, annexes, schedules and exhibits hereto, as the same may be amended, modified, supplemented or replaced from time to time; (g) the masculine includes the feminine and neuter and vice versa; (h) “including” is construed in its broadest sense to mean “including without limitation” or “including, but not limited to”; (i) references to agreements and other legal instruments include all subsequent amendments thereto, and changes to, and restatements or replacements of, such agreements or instruments that are duly entered into and effective against the parties thereto or their permitted successors and assigns; (j) a reference to a statute or to a regulation issued by a Governmental Authority includes the statute or regulation in force as of the Trade Date or Delivery Date with respect to a Product that is Regulatorily Continuing, together with all amendments and supplements thereto and any statute or regulation substituted for such statute or regulations; and (k) the word “or” is not necessarily exclusive.

## **ARTICLE 2: PRODUCT AND FACILITY REQUIREMENTS**

### **2.1 Product.**

(a) Renewable Energy Credits. The Product to be Delivered by Seller and received by Buyer under this Agreement is RECs generated from the Project, for which summary information is specified in the Product Order. Seller may not substitute RECs generated from a generator other than the Project. For avoidance of doubt, Buyer is not purchasing Seller’s Project.

(b) Environmental Attributes. Seller acknowledges and agrees that any Environmental Attribute associated with or related to the Product will not be sold or otherwise made available to a third party, but will be sold to Buyer pursuant to this Agreement. In the event Seller becomes entitled to or must apply for or take some other action in order to secure a claim, title, credit, ownership or right to any Environmental Attributes associated with or related to the Product, Seller shall, if requested to do so by Buyer, (i) exercise commercially reasonable efforts to apply for and secure such claim, title, credit, ownership or right, and (ii) reasonably cooperate with Buyer to cause such claim, title, credit, ownership or right to be conveyed to Buyer whenever so secured; provided that Buyer shall reimburse Seller any costs incurred by Seller to comply with the foregoing, other than de minimis administrative costs. [[Committer 4] Comment: Financing parties will require some certainty on the exposure relating to costs associated with changes in law or regulation. [Committer 4] tried to address this financeability issue by including some increased costs protections relating to the costs resulting from future Environmental Attributes (Section 2.1(b), changes in tax law (Section 5.5) and Governmental Actions (Section 11.1). For the avoidance of doubt, the Product sold hereunder must meet the definition of “renewable energy credit” and “indexed renewable energy credit” under the IPA Act.

(c) No payment shall be due for any REC(s) that are associated with the generation of electricity that occurred outside the Acceptable Vintage Period (such RECs, “Ineligible RECs”). Neither Party shall have an obligation to the other Party with respect to any Ineligible RECs, which are not eligible for payment. In the event that Ineligible RECs are Delivered to Buyer, Seller provide written notice to Buyer informing of such transfer within sixty (60) days of such inadvertent transfer. Buyer shall return any Ineligible RECs within sixty (60) days of receipt of Seller’s timely submitted notice.

(d) All RECs Delivered that are eligible for payment and that are not to be returned to Seller pursuant to Section 2.1(c), Section 2.3(b)(ii), Section 4.1(i) and Section 5.4 will be retired by Buyer no earlier than the date that is sixty (60) days from the date of transfer [[Committer 4] Comment: Change added to provide sufficient time to Seller for issuing a notice of a transfer of RECs subject to Buyer’s return, pursuant to this Agreement. Subject to the terms of this Section 2.1(d), Buyer shall use commercially reasonable efforts to retire RECs within one hundred twenty (120) days after each Delivery Year.

~~(e) For avoidance of doubt, neither the transfer of title nor the inadvertent retirement of a REC that is not eligible for payment in the Tracking System obligates Buyer to make payment to Seller or Seller to make payment to Buyer for such RECs. [Commenter 4] Comment: Buyer should indemnify Seller for any damages caused by the inadvertent retirement of RECs that should be returned to Seller pursuant to the terms of the Agreement.~~

## 2.2 Project Information.

The Product is unit specific; RECs Delivered under this Agreement must be from the Project specified in the Product Order and Seller represents as of each Delivery Date hereunder that:

(a) As required by Section 1-75(c)(1)(J) of the IPA Act, the Project is not and will not be a generating unit whose costs are being recovered through rates regulated by Illinois or any other state or states.

(b) The Project is a new project such that the Date of First Operation of the Project as recorded by PJM EIS GATS or M-RETS did not occur on or before June 1, 2017.

(c) The Project is located in Illinois or located in a state adjacent to Illinois. If the Project is located in a state adjacent to Illinois, Seller further acknowledges that, subsequent to the Effective Date, if it is determined by the IPA that the Project does not meet the public interest criteria in accordance with the application of the public interest criteria as detailed in the IPA's long term renewable resources procurement plan as approved by the Illinois Commerce Commission in ICC Docket No.19-0995, then an Event of Default shall be deemed to have occurred.

(d) The Project is from the Class of Resource indicated in the Product Order and meets the requirements specified in the IPA Act or rules promulgated by the ICC for the designated Class of Resource.

(e) If the Project is a Utility-Scale Wind Project or a Utility-Scale Solar Project, at least 50% of the Project is located within the physical location identified in the Site Description in the Product Order; and if the Project is a Brownfield Site Photovoltaic Project, the Project is entirely located within the physical location identified in the description of the Project Site in the Product Order and such Project Site currently features or featured actual blight or contamination prior to remediation.

(f) As required by Section 1-75(c)(1)(Q)(1) of the IPA Act, construction activities related to the Project are compliant with the prevailing wage requirements included in the Prevailing Wage Act, unless such Project is exempted from such requirements as indicated in the Product Order. These requirements apply to the wages of laborers, mechanics, and other workers employed in construction activities related to the Project. Applicable construction activities related to the Project include not only construction, but also any maintenance, repair, assembly, or disassembly work performed on equipment whether owned, leased, or rented. All construction work performed by Seller, including its contractors and subcontractors, relating to construction, maintenance, repair, assembly, or disassembly work in relation to the Project has been or will be performed by employees receiving an amount equal to or greater than the "general prevailing rate of hourly wages", as defined in Section 3 of the Prevailing Wage Act. Seller, including its contractors and subcontractors, has provided express notice of these requirements to all laborers, mechanics and other workers employed to perform such work.

(g) As required by Section 1-75(c)(1)(Q)(2) of the IPA Act, the Project is built by General Contractors that have entered into a Project Labor Agreement prior to construction, unless such Project is exempted from such requirements as indicated in the Product Order.

(h) As required by Section 1-75(c)(7) of the IPA Act, if the Project generates electricity using photovoltaic cells, the Project has been installed by Qualified Persons in compliance with Section 16-128A of the Public Utilities Act and any rules or regulations adopted thereunder.

(i) If the Project is determined by the IPA not to be in compliance with (i) Section 2.2(a) or (ii) any of the provisions of Sections 2.2(ab) through (h) (inclusive) within one (1) year following the start of the Delivery Term [[Commenter 4] Comment: [Commenter 4] can accept the termination payments of collateral plus 100% or 110% of amounts received by Seller throughout the Term, as proposed in this Section, if there is an expiration date on the Events of Default in Sections 2.2(b) through (h). Each of them can be determined as of the start of the Delivery Term. An open-ended termination right would create uncertainty, which coupled with the proposed termination payment would materially affect the financeability of the Project. In addition, [Commenter 4] would like to include changes that would provide the non-defaulting party with an option to terminate instead of the obligation to do so and that would require the parties to behave reasonably.], then an Event of Default shall be deemed to have occurred. Upon the occurrence of such Event of Default, Buyer ~~shall~~ may terminate this Agreement ~~five-twenty~~ (520) Business Days after written notice by Buyer to Seller unless Seller demonstrates, within such ~~five-twenty~~ (520) Business Day period and to the reasonable satisfaction of Buyer ~~in its sole discretion~~, that such Event of Default has not occurred. For an Event of Default due to Section 2.2(a), Buyer shall be entitled to payment by Seller in the amount of the sum of: (i) the Collateral Requirement (or Increased Collateral Requirement, if applicable) and (ii) 110% of the total payments Seller has received from Buyer from the time the Project is determined to be a generating unit whose costs are being recovered through rates regulated by Illinois or any other state or states. For such Event of Default due to Section 2.2(b) through (h), Buyer shall be entitled to payment by Seller in the amount of the sum of: (i) the Collateral Requirement (or Increased Collateral Requirement, if applicable) and (ii) 100% of the total payments Seller has received from Buyer. The Parties acknowledge that (A) Buyer shall be damaged by the failure of Seller to comply with one or more of Sections 2.2(a) through (h) (inclusive), (B) it would be impracticable or extremely difficult to determine the actual damages resulting therefrom, (C) the remedies specified herein are fair and reasonable and do not constitute a penalty, and (D) the remedies specified in this Section 2.2 shall be Buyer's sole and exclusive remedy in the event that Seller fails to comply with one or more of Sections 2.2(a) through (h) (inclusive) and, for the avoidance doubt, neither Buyer nor Seller shall be entitled to any Termination Payment calculated pursuant to Section 9.4 under such circumstance.

### **2.3 REC Tracking Systems.**

(a) The Parties will use PJM EIS GATS or M-RETS, as selected by Seller, as the tracking system for Delivery of the Product.

(b) The Parties shall work together to establish an irrevocable Standing Order for the Project for the automatic recurring transfer of RECs to Buyer's account in PJM-EIS GATS or M-RETS:

- (i) Seller, as transferor of the RECs, shall confirm the Standing Order request within the PJM-EIS GATS or M-RETS within thirty (30) days of the later of: the Project's Date of First Operation or June 1, 2022, whichever is later. Buyer, as transferee, shall accept the properly submitted Standing Order request within the PJM-EIS GATS or M-RETS within thirty (30) days of receipt of such properly submitted Standing Order request.
- (ii) Buyer and Seller shall work together to remove the Standing Order within ten (10) Business Days after the last Delivery of RECs has occurred for the Acceptable Vintage Period. Buyer and Seller shall work together to suspend the Standing Order within ten (10) Business Days of the effective date of any Suspension Period or suspension of this Agreement pursuant to Section 9.6 and to lift such suspension once the Suspension Period or suspension of this Agreement pursuant to Section 9.6 has ended. Any RECs delivered during any Suspension Period or the suspension of this Agreement pursuant to Section 9.6 shall be returned to Seller. [[Commenter 4] Comment: These changes are necessary if Seller must use an irrevocable standing order, rather than a revocable standing order. Note that without the references to the suspension pursuant to Section

9.6, such suspension right would not be available to Seller, creating a clear disadvantage.]

- (iii) The Standing Order shall be for the automatic recurring transfer of RECs associated with a Vintage within the Acceptable Vintage Period. The Standing Order shall reflect Buyer's allocated share of the RFP Awarded Annual Quantity, which shall be calculated by dividing the Annual Quantity by the RFP Awarded Annual Quantity. [[Commenter 4] Comment: An irrevocable standing order in PJM GATS must specify a percentage of monthly generation, which would be difficult for Seller to manage under an irrevocable standing order relative to the Seller's share of the RFP Awarded Annual Quantity. Seller should have the option of electing a revocable or irrevocable standing order.]
- (iv) Seller shall provide written request to Buyer for the revocation of the Standing Order no earlier than thirty (30) days prior to the end of the Acceptable Vintage Period (or as soon as practicable in the case of an early termination of this Agreement) and Buyer shall revoke the Standing Order within thirty (30) days of receipt of such request.
- (v) For RECs that are ineligible for payment, Buyer shall return such RECs to Seller pursuant to Section 2.1(c), Section 2.3(b)(ii), Section 4.1(i) or Section 5.4, as applicable.
- (c) Seller shall Deliver the RECs in an unretired state.
- (d) The Parties shall abide by the applicable rules of PJM-EIS GATS or M-RETS. Seller shall take all actions necessary to ensure creation of RECs and REC Delivery through the Standing Order. Each Party shall bear the costs associated with performing its respective obligations in connection with such tracking system.
- (e) If applicable in PJM EIS GATS and/or M-RETS, Seller represents that the RECs have been designated as "IL RPS eligible" by that registry, prior to transferring the RECs to Buyer's PJM EIS GATS account or M-RETS account.

#### 2.4 Initial REC Delivery Deadline Extensions

Seller must Deliver at least one (1) REC by May 31, 2025. This deadline may be extended one or more times as follows:

- (a) Provided that an extension request is made in writing by Seller to Buyer and the IPA prior to May 31, 2025, and Seller has posted Performance Assurance to satisfy the Increased Collateral Requirement by May 31, 2025, the deadline shall be deemed automatically extended to May 31, 2027 for the Delivery of at least one (1) REC from the Project.
- (b) Provided that the deadline has been extended to May 31, 2027 pursuant to Section 2.4(a) above, Seller may request for the deadline to be further extended provided that the extension request is made in writing by Seller to Buyer and the IPA prior to May 31, 2027. Such extension may be granted by the IPA on a case by case basis upon a demonstration of good cause by Seller to the satisfaction of the IPA at its reasonable discretion. Good cause may include delays outside of Seller's control due to delays in finalizing interconnection agreements and installing interconnection facilities, delays in obtaining other necessary governmental permits and approvals, and delays in the issuance of RECs from PJM-EIS GATS or M-RETS; provided such delays are not primarily attributable to Seller such as Seller's failure to make in a timely manner permitting requests or a formal request for interconnection to such transmission or distribution provider or to provide in a timely manner the information or payment required by such transmission or distribution provider. An extension pursuant to this section may be granted one (1) or more times. Each such extension shall be for a period specified by the IPA at its reasonable discretion, which shall be no longer than six (6) months at a

time.

(c) If the extension to the deadline to Deliver one (1) REC from the Project is granted by the IPA, the IPA shall issue a notice to Buyer and Seller. Upon the receipt of written notice by the IPA of an approval extending the deadline for the Delivery of one (1) REC, Buyer and Seller shall execute a revised Product Order within ten (10) Business Days of such written notice to reflect the extension to the prevailing deadline for the Delivery of one (1) REC.

(d) In the event that extensions to the deadline for the Project have been granted pursuant to Section 2.4(b)-multiple times and the Project's Date of First Operation has not occurred by May 31, 2028, then Seller may submit a written request to the IPA and Buyer for the Agreement to be terminated and its Performance Assurance to be returned. Such request will be subject to the approval of the IPA in its reasonable discretion. In the event that extensions to deadline have been granted multiple times and the Project's Date of First Operation has not occurred by the date that is May 31, 2029, then Buyer shall return Seller's Performance Assurance and terminate this Agreement with written notice to Seller. No Settlement Amount or Termination Payment shall be due from or to either party as a result of any such termination pursuant to this Section Error! Reference source not found.2.4. In no event shall any extension under this Section 2.4 extend beyond May 31, 2029.

~~(d)~~(e) Each of the dates set forth in this Section 2.4 also may be extended pursuant to Section 10.1, if applicable. [Commenter 4] Comment: Based on Section 10.1, Seller should be relieved from its obligation to Deliver at least one REC by May 31, 2025, if the delay is caused by Force Majeure. [Commenter 4] believes a clarifying change is needed here so that it is clear that such extension applies throughout this Section.

## ARTICLE 3: TERM OF AGREEMENT

### 3.1 Incorporation of Product Order

The terms of the Transaction are as specified in this Agreement and in the Product Order. Buyer and Seller shall execute a Product Order substantially in the form of Exhibit A to this Agreement to confirm the terms of the Transaction. The Effective Date of this Agreement shall constitute the "Trade Date" indicated in the Product Order.

If the Parties have entered into another agreement that governs transactions other than the Transaction set forth in this Agreement, such other agreement shall not apply for the purposes of the Transaction confirmed under this Agreement, and this Agreement shall be treated as separate and stand-alone from all other transactions between the Parties. This Agreement shall apply solely for purposes of the Transaction specified herein and shall not apply for the purposes of any other transactions between the Parties.

### 3.2 Term of Agreement

Unless earlier terminated pursuant to the terms of this Agreement, the "Term" of this Agreement shall be from the Effective Date until the earlier of (a) the date on which the Maximum Contract Quantity has been Delivered by Seller to Buyer and payments for such RECs have been paid by the Party owing payment to the Party for which payment is due; or (b) the last day of the month immediately following the end of the Delivery Term. The Parties acknowledge that the Agreement allows for the Delivery of RECs from an Acceptable Vintage Period of a maximum total period of 241 months (excluding any Suspension Periods during which the Parties' obligations are suspended as provided herein).

## ARTICLE 4: DELIVERY OBLIGATIONS

#### 4.1 Deliveries and Quantity.

(a) All RECs Delivered to Buyer from Seller under this Agreement shall be associated with electric energy generated by the Project. For avoidance of doubt, with respect to a Project co-located with an energy storage facility, the RECs Delivered shall be associated with energy generated exclusively from the Project and not from any other electric source. Each Delivery shall be deemed a representation by Seller to Buyer that the Product meets the requirements specified in this Agreement.

(b) Seller shall be permitted to Deliver RECs from the Project for payment by Buyer or payment by Seller, as applicable, starting on the first day of the Delivery Term through the last day of the Delivery Term. For avoidance of doubt, and notwithstanding the foregoing, only RECs associated with electricity generation that occurred within the Acceptable Vintage Period shall be eligible for payment in accordance with Section 2.1(c).

(c) As specified in Section 9.2(g), Seller's failure to Deliver at least one (1) REC from the Project by May 31, 2025 or extended deadline pursuant to Section 2.4 shall constitute an Event of Default. If the deadline for the Delivery of one (1) REC from the Project has been extended pursuant to Section 2.4, Seller's failure to maintain Performance Assurance to satisfy the Increased Collateral Requirement or to Deliver at least one (1) REC from the Project by such extended deadline shall constitute an Event of Default. Upon the occurrence of such Events of Default, Buyer ~~shall~~ may terminate this Agreement ~~five~~ twenty (~~520~~) Business Days after written notice by Buyer to Seller unless Seller demonstrates, within such ~~five~~ twenty (~~520~~) Business Day period and to the reasonable satisfaction of Buyer ~~in its sole discretion~~, that Seller has posted Seller's Performance Assurance to satisfy the Increased Collateral Requirement required for an extension pursuant to Section 2.4 or Seller has made such Delivery by the deadline or the extended deadline, as applicable. For such Events of Default, Buyer shall be entitled to payment by Seller (i) in the amount of the Collateral Requirement if there has been no extension; or (ii) in the amount of the Increased Collateral Requirement if an extension is granted and Seller fails to Deliver at least one (1) REC from the Project by the extended deadline pursuant to Section 2.4. The Parties acknowledge that (i) Buyer shall be damaged by the failure of Seller to Deliver at least one (1) REC from the Project by the deadline or extended deadline, as applicable, (ii) it would be impracticable or extremely difficult to determine the actual damages resulting therefrom, (iii) the remedies specified herein are fair and reasonable and do not constitute a penalty, and (iv) the remedy specified in this Section 4.1(c) shall be Buyer's sole and exclusive remedy in such Events of Default and, for the avoidance doubt, neither Buyer nor Seller shall be entitled to any Termination Payment under such circumstance.

(d) Prior to the deadline set forth in Section 4.1(c) for the Delivery of one (1) REC from the Project, if the Seller determines that it will not construct the Project ~~in a timely manner~~ [Commenter 4] Comment: Without the change, Section 4.1(d) could be interpreted as requiring Seller to notify Buyer of delays that would prevent it from constructing the Project and delivering RECs "in a timely manner" and requiring termination of the Agreement (plus payment of the collateral) in any such instance. That would conflict with other provisions of the Agreement, including Section 4.1(c), which takes into account permitted extensions built into the draft., it shall provide a written notice of that determination to Buyer. In such a case, Buyer shall be entitled to payment by Seller in the amount of the Collateral Requirement or Increased Collateral Requirement, as applicable. Buyer ~~shall~~ may terminate this Agreement within ~~five~~ twenty (~~520~~) Business Days of the later of: (i) Buyer's receipt of written notice from Seller; or (ii) Buyer's receipt of payment in the amount of the Collateral Requirement or Increased Collateral Requirement, as applicable.

(e) Seller shall Deliver to Buyer, subject to Section 4.1(a) and Section 4.1(b), RECs to satisfy the Delivery Year Requirement in each Delivery Year.

(f) In the event that Seller fails to Deliver ninety (90%) of [Commenter 4] Comment: The

Delivery Year Degradation Factor added for Utility-Scale Solar Projects or a Brownfield Site Photovoltaic Projects addresses in part the concerns expressed by [Commenter 4] regarding the uncertainty and statistical variability of power generation delivered by renewable solar resource in any one time period. [Commenter 4] believes that including a 10% band around the Delivery Year Requirement would greatly benefit the financeability of solar projects. the Delivery Year Requirement for a Delivery Year under the terms of this Agreement (such Delivery Year a “Shortfall Year” and such amount of RECs that Seller fails to Deliver to satisfy the Delivery Year Requirement for a Delivery Year, the “Shortfall Amount”), Seller represents that no RECs from the Project issued by PJM EIS GATS or M-RETS in that same Delivery Year were willfully withheld or sold or otherwise transferred to another party (other than to **[delete as applicable: Ameren Illinois Company and/or] [Commonwealth Edison Company and/or] [MidAmerican Energy Company]** in connection with an IPA approved agreement), provided however that Seller shall not be deemed to have willfully withheld or sold or otherwise transferred RECs to another party if Seller’s performance is prevented by an action of Buyer that constitutes an Event of Default. Notwithstanding the foregoing, Seller’s failure to Deliver the Delivery Year Requirement through the first full Delivery Year shall be excused and the failure to meet any Delivery Year Requirement through the first full Delivery Year shall not constitute a Shortfall Amount. For avoidance of doubt, RECs Delivered to meet a Delivery Year Requirement are accounted for based on the Vintage of the RECs and not when the RECs are Delivered. For example, only RECs associated with the Vintages of June 2025 through May 2026 can be used to meet the Delivery Year Requirement for the Delivery Year beginning June 1, 2025 through May 31, 2026.

(g) As specified in Section 9.2(j), an Event of Default shall be deemed to occur if either (i) three (3) or more Shortfall Years occurred and the cumulative sum of the Shortfall Amounts for all Shortfall Years equals or exceeds the Annual Quantity, or (ii) Seller breaches its representation under Section 4.1(f). Upon the occurrence of such Event of Default, Buyer ~~shall may~~ terminate this Agreement ~~five-twenty~~ (~~520~~) Business Days after written notice by Buyer to Seller unless Seller demonstrates, within such ~~five-twenty~~ (~~520~~) Business Day period and to the reasonable satisfaction of Buyer ~~in its sole discretion~~ that such event has not occurred. For such Event of Default, Buyer shall be entitled to payment by Seller in the amount of the Collateral Requirement. The Parties acknowledge that (A) Buyer shall be damaged by the failure of Seller to comply with the provisions set forth in (i) and/or (ii) of this Section 4.1(g), (B) it would be impracticable or extremely difficult to determine the actual damages resulting therefrom, (C) the remedies specified herein are fair and reasonable and do not constitute a penalty and, (D) the remedy specified in this Section 4.1(g) shall be Buyer’s sole and exclusive remedy in such Event of Default and, for the avoidance doubt, neither Buyer nor Seller shall be entitled to any Termination Payment calculated pursuant to Section 9.4 under such circumstance.

(h) All RECs Delivered by Seller under this Agreement must allow Buyer to meet its obligations under the Applicable Program for the Delivery Year for which such RECs were Delivered. [Commenter 4] Comment: [Commenter 4] requests that this clause (h) be deleted. Seller can only represent that the RECs comply with the Applicable Program, which is being represented elsewhere in the Agreement. Seller cannot represent what Buyer will do with the RECs once they are Delivered or that it will meet its obligations.

(i) Any RECs generated by the Project in excess of one hundred ten (110%) of the Delivery Year Requirement for any Delivery Year (“Excess RECs”) shall remain the exclusive property of Seller, to be utilized in Seller’s sole discretion. For avoidance of doubt, such Excess RECs cannot be applied to any subsequent Delivery Year to satisfy such subsequent Delivery Year Requirement and are not eligible for payment by Buyer under any circumstance. In the event that Excess RECs are Delivered to Buyer, Seller provide written notice to Buyer informing of such transfer within sixty (60) days of such transfer. Buyer shall return any Excess RECs within sixty (60) days of receipt of Seller’s timely submitted notice; provided that Buyer has not retired Excess RECs pursuant to Section 2.1(d).

## ARTICLE 5: PAYMENT AND INVOICING

### 5.1 Invoicing.

[[Commenter 4] Comment: [Commenter 4] requests minor changes in Sections 5.1 and 5.2 are accepted so that each period works as intended in case of a delay in the issuance of the Price Calculation Notice. This should not be controversial and would not affect the Agreement if Price Calculation Notices are issued in a timely manner, as anticipated.]

For each Delivery Month, Seller will render to Buyer an invoice for RECs by electronic mail on or before the tenth (10<sup>th</sup>) day of the month immediately following each Delivery Month<sup>2</sup>, as extended on a day-by-day basis if the applicable Price Calculation Notice is issued by IPA later than the twentieth (20<sup>th</sup>) day of the preceding month. For avoidance of doubt, Seller shall invoice Buyer regardless of whether the REC Monthly Price is positive or negative. Notwithstanding, and subject to the foregoing, Seller may request that Buyer issue an invoice to Seller if the REC Monthly Price is positive for documentary purposes. If in a Delivery Month, RECs that are Delivered are from different Vintages, then Seller shall render to Buyer one (1) invoice for all Vintages of RECs Delivered in the Delivery Month. The invoice shall specify separately for each Vintage of RECs Delivered in the Delivery Month:

- (a) the Delivery Month in which the REC Deliveries were made;
- (b) the applicable REC Monthly Price;
- (c) the Vintage of the RECs Delivered;
- (d) the quantity of RECs Delivered of the Vintage applicable to the REC Monthly Price;
- (e) the amount to be paid for RECs, which shall equal the multiplicative product of the REC Monthly Price and the quantity of RECs Delivered associated with the REC Monthly Price; and
- (f) the Tracking System unit ID for the Project.

Buyer shall not be obligated to pay any invoice that is delivered more than six (6) months after the end of the Term of this Agreement.

### 5.2 Payment.

All invoices under this Agreement shall be due and payable on the last Business Day of the month in which the invoice is rendered or the last Business Day of the following month if the invoice is rendered late and cannot be processed by the last Business Day of the month in which the invoice is rendered. No more than one (1) invoice will be processed for payment for each Delivery Month. Payment is as follows:

- (a) The REC Monthly Price shall be the price indicated as such in the Price Calculation Notice issued by the IPA to Buyer and Seller for the applicable Vintage month. The REC Monthly Price may be either positive or negative. Payment shall be made from Seller to Buyer if the REC Monthly Price is positive and payment shall be made from Buyer to Seller if the REC Monthly Price is negative. In instances in which a Party disputes the REC Monthly Price calculated by the IPA, the Party has from the time the IPA issues the Price Calculation Notice to Buyer and Seller until ten (10) days thereafter ~~the end of that month~~ to request

<sup>2</sup> For example, with respect to RECs with a Vintage of June 2022, IPA shall issue the Price Calculation Notice containing the REC Monthly Price for such RECs no later than July 20, 2022. RECs with a Vintage of June 2022 are expected to be Delivered by the last Business Day of July 2022 via PJM EIS GATS or M-RETS and Seller shall issue its invoice to Buyer no later than August 10, 2022.

review of the pricing calculations.

(b) Payment shall be made only for RECs that have been Delivered by Seller to Buyer of Vintages that are in the Acceptable Vintage Period.

(c) The Parties will discharge mutual debts and payment obligations due and owing to each other through netting, in which case all amounts owed by each Party to the other Party under this Agreement, including any interest, and payments or credits, will be netted so that only the excess amount remaining due shall be paid by the Party who owes it.

(d) With respect to all payments due hereunder, the Party owing payments shall make payments by electronic funds transfer, or by other mutually agreed methods, to the account designated in Exhibit B or other such account as may be updated by written notice from Seller to Buyer or from Buyer to Seller, as applicable.

(e) In no event shall payment be processed for a quantity of RECs that will (i) cumulatively cause the quantity of RECs associated with the Vintage months of a Delivery Year to exceed [one hundred ten percent (110%) of] the Delivery Year Requirement for such Delivery Year [[Commenter 4] Comment: [Commenter 4] believes that permitting this minimum flexibility on the maximum annual deliveries would allow bidders to account for uncertainty and statistical variability of power generation delivered by renewable solar resource in any one time period, and to present more accurate quantities of expected RECs for each qualifying project.]; or (ii) cumulatively cause the quantity of RECs associated with Vintages in the Acceptable Vintage Period to exceed the Maximum Contract Quantity. For avoidance of doubt, this paragraph relates to the quantity of RECs only and payments amounts shall be subject to the provisions in Section 5, including but not limited to, the calculation of any interest on late payments pursuant to Section 5.3.

### **5.3 Disputes on Invoices.**

Notwithstanding the provisions in Section 5.2(a), each Party may, in good faith, dispute the correctness of any invoice issued by the other Party under this Article 5 within six (6) months after receipt of such invoice. Any such dispute must be in writing and state the basis for the dispute, which must be made in good faith. Subject to Section 9.5, a Party may withhold payment of the disputed amount until two (2) Business Days following the resolution of the dispute, and any amounts not paid when originally due and subsequently determined to be due and payable shall bear interest at the Default Rate from the due date as originally invoiced.

Any undisputed amounts not paid by the applicable due date are delinquent and will accrue interest at the Default Rate. Inadvertent overpayments will be returned upon request or credited by the Party receiving such overpayment against amounts subsequently due from the other Party. Any dispute with respect to an invoice is waived unless the disputing Party notifies the other Party in accordance with this Section 5.3 within six (6) months after the invoice is rendered. If final resolution of the dispute is not completed within sixty (60) days after notification of the dispute, the Parties shall be free to pursue any available legal or equitable remedy.

Except as provided in this Section 5.3, in no event will Buyer be liable whatsoever to Seller for any payments of invoices issued more than six (6) months after the end of the Term of this Agreement.

### **5.4 Cost Recovery through Pass-Through Tariffs.**

[[Commenter 4] Comment: Preference remains to omit this Section entirely, as [Commenter 4] believes it would be detrimental to the financing of the Project and the ability of developers to propose the most favorable bid. At a minimum, the clarifications provided relating to (i) the forward price curve being used

for budget planning purposes only and (ii) instances where Buyer is not able to recover costs from its customers, are critical for the viability of the Project. Ambiguity in this regard would directly affect the certainty on the revenues that would be generated by the Project, and would materially change the risk profile of the Project, its financeability and the pricing of the bid.]

Nothing in this Agreement shall require Buyer to advance any payment or pay any amounts that exceed the actual amount of revenues anticipated to be collected by Buyer under paragraph (6) of subsection (c) of Section 1-75 of the IPA Act (20 ILCS 3855) and subsection (k) of Section 16-108 of the Public Utilities Act (220 ILCS 5) inclusive of eligible funds collected in prior years and alternative compliance payments for use by Buyer (the "Available Funds"). Buyer's payments for RECs in a given Delivery Year therefore shall not cause the sum of the cumulative payments to Seller and all other sellers under contracts executed pursuant to 20 ILCS 3855/1-75(c)(1), as well as all other applicable fees, charges, and administrative costs related to the purchase of RECs under 20 ILCS 3855/1-75(c)(1), to exceed the Available Funds for such Delivery Year as calculated under 20 ILCS 3855/1-75(c)(1)(E). For the purposes of this Agreement, the Available Funds under Section 1-75(c)(1)(E)'s rate impact limitations shall be calculated inclusive of any utility-held Alternative Compliance Payments authorized for procuring RECs by order of the Illinois Commerce Commission or any unspent revenues collected by the utility under paragraph (6) of subsection (c) of Section 1-75 of the IPA Act (20 ILCS 3855) and subsection (k) of Section 16-108 of the Public Utilities Act (220 ILCS 5) that the utility is permitted to carry over across Delivery Years. For the avoidance of doubt, payment obligations for contracts executed pursuant to 20 ILCS 3855/1-75(c)(1) and associated expenses within a given Delivery Year exceeding the actual balance of collections made to date under Section 16-108(k) within that Delivery Year would not provide a valid basis for non-payment by Buyer, unless Buyer's compliance with such payment obligations would cause Buyer's cumulative payments for RECs associated with a given Delivery Year to exceed the amount of the Available Funds for that Delivery Year. For avoidance of doubt, the forward price curve will be used for budget planning purposes only and will not be used to establish an annual cost cap for utility REC purchases in the Spring 2022 Indexed REC RFP or with respect to this Agreement.

Buyer is allowed to recover all costs and other amounts incurred under the Agreement from its customers pursuant to a pass-through tariff that is authorized by Section 16-111.5(l) of the Illinois Public Utilities Act (220 ILCS 5/16-111.5(l)) and approved by the ICC. If, ~~for whatever reason~~ pursuant to applicable law, Buyer is not allowed to or cannot recover such costs from its customers through its pass-through tariffs for the payment of RECs Delivered for a Delivery Year, then, Buyer shall provide written notice to Seller of such occurrence and notwithstanding anything to the contrary in the Agreement, Buyer shall not be required to advance payment to Seller for RECs Delivered for the remainder of the Delivery Year and Buyer shall return to Seller within ninety (90) days of the conclusion of such Delivery Year any unpaid RECs that are associated with a Vintage within such Delivery Year. Any RECs that are returned to Seller pursuant to the foregoing shall be the exclusive property of Seller, to be utilized in Seller's sole discretion. For avoidance of doubt, the foregoing does not excuse Seller's obligation to pay Buyer and to Deliver RECs to Buyer if payment is due Buyer. Any payment for a Delivery Year due Buyer may be netted against unpaid RECs for such Delivery Year for which RECs have not been returned to Seller, starting with the unpaid RECs associated with the earliest Vintage first in such Delivery Year.

## **5.5 Taxes and Fees.**

Seller will be responsible for any taxes imposed on the creation, ownership, or transfer of Product under this Agreement up to and including the time and place of its Delivery. Buyer will be responsible for any taxes imposed on the receipt or ownership of Product at or after the time and place of its Delivery. Each Party will be responsible for the payment of any fees incurred by it in connection with this Transaction hereunder. If a change in law occurs after the Effective Date of this Agreement that materially

increases the costs of Seller with respect to the registration, monitoring, measurement, verification or provision of the Product to Buyer, the Parties shall use commercially reasonable efforts to amend this Agreement such that the amended terms (a) give effect to the intent of the Parties in entering hereinto, and (b) preserve the balance of the economics and equities contemplated by this Agreement in all material respects. [[Commenter 4] Comment: Financing parties will require some certainty on the exposure relating to costs associated with changes in law or regulation. [Commenter 4] tried to address this financeability issue by including some increased costs protections relating to the costs resulting from future Environmental Attributes (Section 2.1(b), changes in tax law (Section 5.5) and Governmental Actions (Section 11.1).]

## ARTICLE 6: REPORTING REQUIREMENTS

### 6.1 Monthly Generation Report

Seller shall, on a monthly basis, provide to Buyer and the IPA (i) hourly MWh generation data applicable to the Project and (ii) hourly real time locational marginal prices at the applicable hub indicated in the Product Order (either PJM-NIHUB or MISO-IL) for each calendar month of the Acceptable Vintage Period within five (5) Business Days after the conclusion of such Vintage month. This information provided shall be rounded to the sixth (6th) decimal place and shall be provided in Microsoft Excel format. For purposes of verification, Buyer and the IPA shall be granted read-only access of information for the Project by Seller within PJM Power Meter system or MISO Market Portal, as applicable, within thirty (30) days of the later of: the Effective Date of this Agreement or the Date of First Operation, ~~whichever is later~~; such data shall be treated and maintained as confidential and proprietary by the IPA and Buyer.

If Seller uncovers errors related to the hourly MWh generation data for a Vintage Month provided by Seller that exceeds 5% of the aggregate generation data for the Vintage Month, Seller shall notify and submit corrected data to Buyer and the IPA within the later to occur of (i) three (3) months ~~of after~~ the original deadline for data submission for such Vintage Month, and (ii) the last day of the Delivery Year within which the applicable Vintage Month occurs. [[Commenter 4] Comment: Seller may make data corrections within GATS and M-RETS after the specified 3-month period, and this change is intended to provide Seller additional time to correct data.] for recalculation of the quantity of RECs related to the applicable Vintage Month and the Monthly REC Price by the IPA. The IPA shall endeavor on a commercially reasonable basis to issue to Buyer and Seller a revised Price Calculation Notice for such Vintage Month within thirty (30) days of receipt of Seller's corrected data. Upon receipt of the revised Price Calculation Notice, Seller shall submit in its upcoming invoice a separate line item (or a separate invoice if the invoice related to the Latest Vintage Month has already been issued) that includes a payment adjustment based on the revised quantity of RECs related to the applicable Vintage Month and Price Calculation Notice; such payment adjustment shall be calculated as (a) the multiplicative product of (ai) the revised REC quantities of such Vintage Month that were previously paid and (bij) the difference between the initial Monthly REC Price and the revised Monthly REC Price for such Vintage Month minus (b) the multiplicative product of (i) the REC quantities of such Vintage Month that were previously paid and (ii) the initial Monthly REC Price for such Vintage Month. For avoidance of doubt, this payment adjustment shall be due to a change in both the REC Monthly Price ~~only and there shall be no changes in~~ the quantity of RECs related to this payment adjustment. [[Commenter 4] Comment: [Commenter 4] does not understand the proposed exclusion of the recalculation of REC quantities, if such recalculation is warranted and the information is available.]

### 6.2 Prevailing Wage Act Requirements

This section applies to Projects that are subject to the requirements of the Prevailing Wage Act as indicated in the Product Order.

Seller, including its contractors and subcontractors, rendering services under this Agreement must comply with the requirements of the Prevailing Wage Act, including but not limited to, all wage requirements and

notice and record keeping duties. The Prevailing Wage Act requires Seller, including its contractors and subcontractors, to pay laborers, mechanics and other workers employed in construction activities related to the Project an amount equal to or greater than the current “general prevailing rate of hourly wages”, as defined in Section 3 of the Prevailing Wage Act. The Parties acknowledge that the IPA has provided to the Parties the Illinois Department of Labor’s website address (<http://labor.illinois.gov/>) as a source of information for the general prevailing rate of hourly wages. The Illinois Department of Labor regularly revises the general prevailing rate of hourly wages available on its website.

Seller shall provide to the IPA documentation and verification demonstrating that all construction work performed by Seller, including its contractors and subcontractors, relating to construction, maintenance, repair, assembly, or disassembly work in relation to the Project has been performed by employees who received an amount equal to or greater than the “general prevailing rate of hourly wages,” as defined in Section 3 of the Prevailing Wage Act. Such documentation and verification may include, but is not limited to, the certified transcripts of payroll required to be filed with the Illinois Department of Labor.

Such documentation and verification must be provided to the IPA within the later of: five (5) Business Days of the Effective Date of this Agreement or within five (5) Business Days of the Date of First Operation of the Project. Seller is responsible and shall provide such documentation and verification throughout the Term of this Agreement to the IPA for any applicable work performed in a Delivery Year subsequent to Seller’s initial submission of documentation and verification, which shall be provided no later than July 15 following the end of such Delivery Year. Seller’s failure to provide such documentation or verification in a timely manner shall be deemed non-compliant with Section 2.2(f) and subject to the provisions in Section 2.2 for such non-compliance.

### **6.3 Project Labor Agreements Requirements**

This section applies to Projects that are subject to the requirements of the Project Labor Agreements Act as indicated in the Product Order.

As required by Section 1-75(c)(1)(Q)(2) of the IPA Act, the Project is built by General Contractors that have entered into a Project Labor Agreement prior to construction. That Project Labor Agreement shall be filed with the Director of the IPA, who shall determine whether the Project Labor Agreement meets the requirements of the IPA Act and the Project Labor Agreements Act.

The Project Labor Agreement shall provide the names, addresses, and occupations of the owner of the plant and the individuals representing the labor organization employees participating in the Project Labor Agreement consistent with the Project Labor Agreements Act.

Unless instructed by the IPA otherwise, each Project Labor Agreement and any amendments thereto shall be filed with the Director of the IPA via email at the email address provided in Exhibit B within the later of: (a) thirty (30) days of the execution of such Project Labor Agreement or amendment; or (b) thirty (30) days of the execution of this Agreement. Seller shall work constructively with the IPA to file such Project Labor Agreements in accordance with procedures established by the IPA. It is the sole responsibility of Seller to understand the Project Labor Agreements requirement under Section 1-75(c)(1)(Q)(2) of the IPA Act and the Project Labor Agreements Act and to ensure the compliance thereof. For avoidance of doubt, compliance with the requirements of the Project Labor Agreements Act shall be the sole responsibility of Seller and not Buyer or the IPA; and Seller shall hold Buyer and the IPA harmless of any non-compliance thereof.

## **ARTICLE 7: CREDIT AND COLLATERAL REQUIREMENTS; PERFORMANCE ASSURANCE**

## 7.1 Performance Assurance.

**Seller's Performance Assurance.** Performance Assurance requirement is applicable with respect to Seller, but not with respect to Buyer.

For purposes of this Agreement, the Increased Collateral Requirement is applicable if the Delivery of one (1) REC has not occurred and the deadline for the Delivery of one (1) REC has been extended pursuant to 2.4.

If at any time Seller's (or Seller's Guarantor's, if applicable) Collateral Threshold is lower than the Collateral Requirement (or Increased Collateral Requirement, if applicable), then Seller, upon request from Buyer, shall be required, within five (5) Business Days of notice from Buyer, to post "Seller's Performance Assurance" through either the: (i) posting of a Letter of Credit; or (ii) posting of cash collateral with Buyer. "Collateral Threshold" means, with respect to Seller or Seller's Guarantor, if applicable, the amount determined in accordance with Table A below. The amount of such Seller's Performance Assurance shall be equal to the positive difference, if any, between: (a) the Collateral Requirement (or Increased Collateral Requirement, if applicable); and (b) the Collateral Threshold, rounded up to the nearest \$10,000, as estimated by Buyer ("Performance Assurance Amount"). In the event that Seller fails to provide such Seller's Performance Assurance within five (5) Business Days of notice from Buyer, then an Event of Default shall be deemed to have occurred pursuant to Section 9.2(d) and Buyer shall be entitled to the remedies set forth under Section 9.3, as the Non-Defaulting Party.

If Seller is relying on its own creditworthiness and Seller is a party to one or more additional REC purchase agreements with Buyer pursuant to the conduct of the procurements pursuant to Section 1-75(c) of the IPA Act, then Seller will be granted a single Collateral Threshold to be applied to all such REC purchase agreements.

If Seller is relying on a Guarantor and Seller's Guarantor has provided a Guaranty, the Collateral Threshold shall be the lesser of the Collateral Threshold as determined by (i) the table below or (ii) the amount of such Guaranty; provided, that Seller's Guarantor will be granted a single Collateral Threshold to be applied to all REC purchase agreements entered into with Buyer pursuant to the conduct of the procurements pursuant to Section 1-75(c) of the IPA Act for which it guarantees payment obligations on behalf of one or more parties to such REC purchase agreements.

<i>TABLE A</i>			
Credit Rating			Collateral Threshold
S&P	Moody's	Fitch	
BBB- or above	Baa3 or above	BBB- or above	\$2,500,000
Below BBB-	Below Baa3	Below BBB-	\$0

## 7.2 Guaranty.

If Seller is relying on a Guarantor for purposes of its Collateral Threshold in accordance with Section 7.1, then Seller will provide, concurrently with the execution and delivery of the Agreement, a Guaranty.

# ARTICLE 8: REPRESENTATIONS AND WARRANTIES

## 8.1 Mutual Representations and Warranties.

On the Trade Date, each Party represents and warrants to the other that:

(a) it is duly organized and validly existing under the laws of the jurisdiction of its incorporation or organization;

(b) it has the power and authority to enter into this Agreement and to perform its obligations hereunder;

(c) its execution and performance do not violate or conflict with applicable law, any provision of its constituent documents, or any contract binding on or affecting it or any of its assets or any order or judgment of any Governmental Authority applicable to it or its assets;

(d) all governmental and other authorizations, approvals, consents, notices and filings that are required to have been obtained or submitted by it with respect to entering into this Agreement have been obtained or submitted and are in full force and effect and all conditions thereof have been complied with;

(e) its obligations hereunder are legal, valid and binding, enforceable in accordance with their respective terms, subject to applicable bankruptcy or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application regardless of whether enforcement is sought in a proceeding in equity or at law;

(f) no Event of Default, or Potential Event of Default, has occurred and is continuing, and none will occur as a result of its entering into or performing this Agreement;

(g) it is not relying upon any representations of the other Party other than those expressly set forth herein, and it is acting for its own account, and not as agent or in any other capacity, fiduciary or otherwise;

(h) it has entered hereinto with a full understanding of the material terms and risks of the same, and it is capable of assuming those risks;

(i) it is not relying on any communication (written or oral) of the other Party as investment advice or as a recommendation to enter into a Transaction, and understands that information and explanations related to the terms and conditions of any Transaction will not be considered investment advice or a recommendation to enter into that Transaction;

(j) it has made its own independent trading and investment decisions to enter into each Transaction and as to whether such Transaction is appropriate or proper for it based upon its own judgment and any advice from such advisors as it has deemed necessary and not in reliance upon any view expressed by the other Party;

(k) it has not received from the other Party any assurance, guarantee or promise as to the expected or projected success, profitability, return, performance, result, effect, consequence or benefit (either economic, legal, regulatory, tax, financial, accounting or otherwise) hereunder;

(l) to its knowledge there is no pending or threatened litigation, arbitration or administrative proceeding before any Governmental Authority or any arbitrator that is likely to materially adversely affect the ability of either Party to perform its obligations hereunder;

(m) it is a "forward contract merchant" within the meaning of United States Bankruptcy Code §101(26), and this Agreement and all Transactions hereunder constitute "forward contracts" within the meaning of United States Bankruptcy Code §101(25);

(n) it is an “eligible commercial entity”, and an “eligible contract participant” within the meaning of United States Commodity Exchange Act §§1a(17) and 1a(18), respectively, and all Transactions hereunder have been subject to individual negotiation by the Parties; and

(o) all applicable information, documents or statements that have been furnished in writing by or on behalf of it to the other Party in connection with this Agreement are true, accurate and complete in every material respect and do not omit a material fact that would otherwise make the information, document or statement misleading.

## 8.2 Additional Warranties of Seller.

(a) Upon the Date of First Operation of the Project, Seller represents and warrants to Buyer on each Delivery Date through the expiry of the Delivery Term that all material governmental and other authorizations, approvals, consents, notices and filings that are required to have been obtained or submitted by it with respect to performing this Agreement have been obtained or submitted and are in full force and effect and all conditions thereof have been complied with in all material respects. [[Commenter 4] Comment: The changes are needed to avoid a hair triggered default on a representation that is continuing through the term.]

(b) Upon each Delivery, Seller represents and warrants to Buyer as follows:

- (i) at the time of Delivery, Seller has the right to convey title to any and all of the RECs Delivered to Buyer in accordance with this Agreement free and clear of any and all liens or other encumbrances or title defects;
- (ii) Seller has sold and transferred the RECs once and only once exclusively to Buyer; the RECs and any other Environmental Attributes sold hereunder have not expired and have not been, nor will be retired, claimed or represented as part of electricity output or sale, or used to satisfy any renewable energy or other carbon or renewable generation attributes obligations under Illinois law or in any other jurisdiction; and that it has made no representation, in writing or otherwise, that any third-party has received, or has obtained any right to, such RECs that are inconsistent with the rights being acquired by Buyer hereunder;
- (iii) no RECs from the Project issued by PJM EIS GATS or M-RETS were willfully withheld or sold or otherwise transferred to another party pursuant to Section 4.1(f); and
- (iv) the Product is Regulatorily Continuing and complies with the Applicable Program.

## 8.3 Limitation of Warranties.

All other representations or warranties, written or oral, express or implied, including any representation or warranty of merchantability or of fitness for any particular purpose or with respect to conformity with any model or samples, are disclaimed. Without limiting the generality of the foregoing, except with respect to the Product stated to be Regulatorily Continuing, and in that case only to the extent set forth herein, neither Party makes any representation or warranty hereunder with respect to any future action or failure to act or approval or failure to approve by any Governmental Authority.

# ARTICLE 9: EVENTS OF DEFAULT; REMEDIES

### 9.1 Events of Default in Respect of Buyer

An “Event of Default” means, with respect to Buyer (as the “Defaulting Party”), the occurrence of any of the following:

(a) any representation or warranty made by Buyer that is false or misleading in any material respect when made or repeatedly made unless Buyer as the Potentially Defaulting Party demonstrates, within a ~~fifteen-twenty~~ (1520) Business Day period from the time of notice by Seller as the Potentially Non-Defaulting Party, that such Potential Event of Default has not occurred or that has occurred and is deemed to be remedied;

(b) the failure of Buyer to make, when due, any payment required pursuant hereto if such failure is not remedied within ten (10) Business Days after written notice; and

(c) such Party becomes Bankrupt.

### 9.2 Events of Default in Respect of Seller

[Commenter 4] Comment: The cure periods are inadequate. The norm cure period should be no shorter than the one granted to Buyer in Section 9.1(a), which [Commenter 4] believes should be, and customarily is, around 30 calendar days. In addition, [Commenter 4] would like to include changes that would provide the non-defaulting party with an option to terminate instead of the obligation to do so and that would require the parties to behave reasonably.]

An “Event of Default” means, with respect to Seller (as the “Defaulting Party”), the occurrence of any of the following:

(a) any representation or warranty made by Seller that is not associated with the Project that is false or misleading in any material respect when made or repeatedly made unless Seller as the Potentially Defaulting Party demonstrates, within a ~~fifteen-twenty~~ (1520) Business Day period from the time of notice by and to the reasonable satisfaction of Buyer as the Potentially Non-Defaulting Party in its sole discretion, that such Potential Event of Default has not occurred or that has occurred and is deemed to be remedied;

(b) the failure of Seller to make, when due, any payment required pursuant hereto if such failure is not remedied within ten (10) Business Days after written notice;

(c) such Party becomes Bankrupt;

(d) the failure of such Party to satisfy the creditworthiness and collateral requirements agreed to pursuant to Article 7 or the failure of the issuer of the Letter of Credit to maintain during the Term the credit rating required under the Letter of Credit as of the Date of Issuance (as that term is used in the Letter of Credit) provided that Seller does not post alternative Seller’s Performance Assurance in an amount equal to the required Performance Assurance Amount within five (5) Business Days of notice from Buyer;

(e) Seller’s failure to perform any other material covenant or obligation set forth herein if such failure is not remedied within twenty (20) Business Days after written notice;

(f) with respect to Seller’s Guarantor, if any, the occurrence of any of the following (provided that Seller does not post Seller’s Performance Assurance in an amount equal to the Performance Assurance Amount within five (5) Business Days):

(i) if any representation or warranty made by a Guarantor in connection with this Agreement is false or misleading in any material respect when made or when deemed made

or repeated;

- (ii) the failure of a Guarantor to make any payment required or to perform any other material covenant or obligation in any guaranty made in connection with this Agreement and such failure is not remedied within three Business Days after written notice;
- (iii) a Guarantor becomes Bankrupt;
- (iv) the failure of a Guarantor's guaranty to be in full force and effect for purposes hereof (other than in accordance with its terms) prior to the satisfaction of all obligations of such Party under each Transaction to which such guaranty relates without the written consent of the other Party; or
- (v) a Guarantor repudiates, disaffirms, disclaims, or rejects or challenges, in whole or in part, the validity of any guaranty.

(g) failure of Seller to Deliver at least one (1) REC from the Project by the deadline or extended deadline, as applicable pursuant to Section 4.1(c), in which case Buyer ~~shall~~ may terminate the Agreement ~~five-twenty~~ (520) Business Days after written notice by Buyer to Seller unless Seller demonstrates, within such ~~five-twenty~~ (520) Business Day period and to the reasonable satisfaction of Buyer ~~in its sole discretion~~, that such Event of Default has not occurred. For such Event of Default, Buyer shall be, as Buyer's sole and exclusive remedy, entitled to payment by Seller in the amount of the Collateral Requirement (or Increased Collateral Requirement, if applicable);

(h) Seller's Project is or becomes a generating unit whose costs were being recovered through rates regulated by Illinois or any other state or states, in which case, Buyer shall terminate the Agreement ~~five-twenty~~ (520) Business Days after written notice by Buyer to Seller unless Seller demonstrates, within such ~~five-twenty~~ (520) Business Day period and to the reasonable satisfaction of Buyer ~~in its sole discretion~~, that such Event of Default has not occurred. For such Event of Default, Buyer shall be, as Buyer's sole and exclusive remedy, entitled to payment by Seller in the amount of the sum of: (i) the Collateral Requirement (or Increased Collateral Requirement, if applicable) and (ii) 110% of the total payments Seller has received from Buyer under this Agreement from the time the Project is determined to be a generating unit whose costs are being recovered through rates regulated by Illinois or any other state or states;

(i) IPA determines within one (1) year following the start of the Delivery Term that Seller's Project fails to comply with the requirements set forth in Sections 2.2(b), 2.2(c), 2.2(d), 2.2(e), 2.2(f), 2.2(g), or 2.2(h), in which case, Buyer ~~shall~~ may terminate the Agreement ~~five-twenty~~ (520) Business Days after written notice by Buyer to Seller unless Seller demonstrates, within such ~~five-twenty~~ (520) Business Day period and to the reasonable satisfaction of Buyer ~~in its sole discretion~~, that such Event of Default has not occurred. For such Event of Default, Buyer shall be, as Buyer's sole and exclusive remedy, entitled to payment by Seller in the amount of the sum of: (i) the Collateral Requirement (or Increased Collateral Requirement, if applicable) and (ii) 100% of the total payments Seller has received from Buyer under this Agreement; and

(j) breach by Seller of its representations under Section 8.2(b)(iii) or the occurrence of three (3) or more Shortfall Years and the cumulative sum of the Shortfall Amounts for all Shortfall Years equals or exceeds the Annual Quantity, in which case, Buyer ~~shall~~ may terminate the Agreement ~~five-twenty~~ (520) Business Days after written notice by Buyer to Seller unless Seller demonstrates, within such ~~five-twenty~~ (520) Business Day period and to the reasonable satisfaction of Buyer ~~in its sole discretion~~, that such Event of Default has not occurred. For such Event of Default, Buyer shall be entitled to payment by Seller in the amount of the Collateral Requirement as Buyer's sole and exclusive remedy.

### 9.3 Declaration of Early Termination Date

Except as otherwise set forth in this Agreement, if an Event of Default with respect to a Defaulting Party occurs and is continuing, the other Party (the “Non-Defaulting Party”) will have the right to (i) designate a day, no earlier than the day such notice is effective and no later than twenty (20) days after such notice is effective, as an early termination date (“Early Termination Date”) to liquidate and terminate this Agreement, (ii) withhold any payments due to the Defaulting Party under this Agreement and (iii) suspend performance. The Non-Defaulting Party will calculate, in a commercially reasonable manner, a Settlement Amount as of the Early Termination Date (or, to the extent that in the reasonable opinion of the Non-Defaulting Party such Terminated Transaction is commercially impracticable to liquidate and terminate or may not be liquidated and terminated under applicable law by the Early Termination Date, as soon thereafter as is reasonably practicable). The calculation of the Settlement Amount indicated in this Section 9.3 shall not apply to an Event of Default described in Sections 9.2(g), 9.2(h), 9.2(i) or 9.2(j). Notwithstanding anything in this Section 9.3 to the contrary, in the event of an Early Termination Date prior to the Delivery of one (1) REC from the Project due to a Seller’s Event of Default, Seller shall pay to Buyer a Settlement Amount in an amount equal to the Collateral Requirement (or Increased Collateral Requirement, if applicable).

#### 9.4 Calculation of Settlement Amount.

(a) Except as otherwise set forth in this Agreement, in the Event of Default with respect to Buyer as the “Defaulting Party”, the following shall occur:

- (i) Seller shall calculate a ~~“Termination Payment” Settlement Amount~~ as a single amount by netting out: (a) all amounts that are due to Buyer for Product that has been Delivered and not yet paid for, plus, at the option of Seller, any cash, security or other Performance Assurance then available to Seller, plus any or all other amounts due to Buyer under this Agreement against (b) all Settlement Amounts that are due to Seller, ~~plus any or all other amounts due to Seller under this Agreement, so that all such amounts will be netted out to a single liquidated amount (the “Termination Payment”);~~ [[Commenter 4] Comment: See changes made to the definition of “Settlement Amount”. The prior formula was circular in that the Settlement Amount was one of the elements of the calculation of such term.]
- (ii) If the Termination Payment is a positive amount, Buyer shall pay the Termination Payment to Seller;
- (iii) If the Termination Payment is a negative amount, there shall not be a Termination Payment and Seller shall not owe any amount to Buyer.
- (iv) the Termination Payment, if any, is due to Seller as the Non-Defaulting Party within ~~two~~ ten (210) Business Days following notice by Seller to Buyer pursuant to Section 9.3. [[Commenter 4] Comment: The payment deadline for the Termination Payment in clause (a)(iv) should be consistent to the payment default provisions of Sections 9.1(b) and 9.2(b).]

(b) Except as otherwise set forth in this Agreement, in the Event of Default with respect to Seller as the “Defaulting Party”, the following shall occur:

- (i) Buyer shall calculate a ~~“Termination Payment” Settlement Amount~~ as a single amount by netting out: (a) all amounts that are due to Seller for Product that has been Delivered and not yet paid for, plus, at the option of Buyer, any cash, security or other Performance Assurance then available to Buyer, plus any or all other amounts due to Seller under this Agreement against (b) all Settlement Amounts that are due to Buyer, ~~plus any or all other amounts due to Buyer under this Agreement, so that all such amounts will be netted out to a single liquidated amount (the “Termination Payment”);~~

[Commenter 4] mark-up

- (ii) If the Termination Payment is a positive amount, Seller shall pay the Termination Payment to Buyer;
- (iii) If the Termination Payment is a negative amount, there shall not be a Termination Payment and Buyer shall not owe any amount to Seller.

(iv) the Termination Payment, if any, is due to Buyer as the Non-Defaulting Party within ~~two~~ ten (~~210~~) Business Days following notice by Buyer to Seller pursuant to Section 9.3. Unless Seller pays the undisputed amount of the Termination Payment in full during this ~~two-ten~~ (~~210~~) Business Day period, Seller's Performance Assurance held by Buyer shall be applied to the undisputed amount of the Termination Payment, with any ~~excess~~ Performance Assurance Amounts in excess of any disputed amount of the Termination Payment returned to Seller. [Commenter 4] Comment: A Party should not be required to pay disputed portions of the amount until the dispute is resolved. This is not a customary approach. Note that Buyer will be able to retain the collateral amount during the dispute.]

(c) For avoidance of doubt, the Non-Defaulting Party shall not owe any amount as Termination Payment to the Defaulting Party and payment of the Termination Payment shall only be from the Defaulting Party to the Non-Defaulting Party.

#### 9.5 Calculation Disputes.

If the Defaulting Party disputes the Non-Defaulting Party's calculation of the Settlement Amount or Termination Payment, in whole or in part, the Defaulting Party will, within ~~two-ten~~ (~~210~~) Business Days of receipt of Non-Defaulting Party's calculation, provide to the Non-Defaulting Party a detailed written explanation of the basis for such dispute; provided, however, that the Defaulting Party must first transfer to the Non-Defaulting Party in an amount equal to the ~~full~~ undisputed amount of the Termination Payment. References to Defaulting Party and Non-Defaulting Party in this Section include the Potentially Defaulting Party and Potentially Non-Defaulting Party, as applicable.

#### 9.6 Suspension of Performance.

Notwithstanding any other provision hereof, if an Event of Default or a Potential Event of Default has occurred and is continuing, the Non-Defaulting Party, upon written notice to the Defaulting Party, has the right (a) to suspend performance under this Agreement and (b) to the extent an Event of Default has occurred and is continuing, to exercise any remedy available at law or in equity, except as limited by Section 14.1.

#### 9.7 Not a Penalty.

The Parties acknowledge that (a) the Non-Defaulting Party shall be damaged by the Defaulting Party, (b) it would be impracticable or extremely difficult to determine the actual damages resulting therefrom, (c) the remedies specified herein are fair and reasonable and do not constitute a penalty and (d) the remedies specified in Section 9.4 shall be the Non-Defaulting Party's sole and exclusive remedy in the Event of Default.

### ARTICLE 10: FORCE MAJEURE

#### 10.1 Force Majeure.

[Commenter 4] Comment: The Force Majeure provision presented provides for an unusually high risk profile for the developer. Changes are made below to have a more balanced approach. In particular, (i) the FM relief should start as soon as the uncontrollable event prevents the Claiming Party from fulfilling its

obligations under the Agreement rather than following notice of the event (leaving the obligation of prompt notice in place); (ii) [Commenter 4] does not understand the deletion of originally proposed language clarifying that delays caused by interconnection or transmission providers would constitute Force Majeure, and (iii) in the context of this Agreement all curtailment events that are outside of the control of Seller should constitute Force Majeure, particularly when there is a Shortfall default provision that includes all Shortfall during the Term cumulatively and not, as it is more common, taking into account a subset of Shortfall years. This would include all curtailments ordered/imposed by a competent authority on the Project, regardless of the cause, duration or Delivery Year.

Neither Party hereto shall be liable for any failure or delay in the performance of its respective obligations hereunder if and to the extent that such delay or failure is due to Force Majeure. If either Party is rendered unable, wholly or in part, by Force Majeure to carry out its obligations with respect to this Agreement, ~~that upon~~ such Party's (the "Claiming Party") shall promptly give notice and full particulars of such Force Majeure as soon as reasonably possible after the ~~occurrence-discovery~~ of the cause relied upon, ~~confirmed in writing, then, the~~ The obligations of the Claiming Party will, to the extent it is affected by such Force Majeure, be suspended during the continuance of said inability, but for no longer a period than the continuance of said inability, and the Claiming Party will not be in breach hereof or liable to the other Party for, or on account of, any loss, damage, injury or expense resulting from, or arising out of such event of Force Majeure during such Suspension Period. The Party receiving such notice of Force Majeure will have until the end of the tenth (10th) Business Day following such receipt to notify the Claiming Party that it objects to or disputes the existence of Force Majeure. If Seller is the Claiming Party, then such notification must be made to both Buyer and the IPA, and a determination of whether to object to or dispute the existence of Force Majeure may be made by Buyer. Any determination to object to or dispute the existence of Force Majeure by Buyer shall be subject to the concurrence of the IPA (who, upon receipt, shall promptly confer to consider the Force Majeure notice).

"Force Majeure" means an event or circumstance which ~~materially~~ [Commenter 4] Comment: The materiality threshold could unduly affect Seller's ability to have Force Majeure relief even in connection with curtailments outside of its control. adversely affects the ability of a Party to perform its obligations under this Agreement, which event or circumstance was not reasonably anticipated as of the date such Transaction was entered into and which is not within the reasonable control of, or the result of the negligence of, the Claiming Party, and which the Claiming Party is unable to overcome or avoid or cause to be avoided, by the exercise of due diligence. Force Majeure includes acts of God (such as tornadoes, fires, earthquakes and floods), pandemics ~~as declared by the WHO~~, explosions, war, hostilities, riots and acts or threats of terrorism (any such event, an "External Event") that disrupt the development or operation of the Project. Force Majeure may include delays associated with processing of permit requests or addressing regulatory requirements or delays in the establishment by the Project of an operating interconnection with the applicable transmission or distribution system as a result of the actions or inactions of the transmission or distribution provider, provided Seller can demonstrate to Buyer and the IPA that such delays are not primarily attributable to Seller's failure to make in a timely manner permitting requests or a formal request for interconnection to such transmission or distribution provider or to provide in a timely manner the information or payment required by such transmission or distribution provider. Force Majeure may also include disruption in Deliveries of RECs by PJM EIS GATS or M-RETS during the Delivery Term. In the case of a Party's obligation to make payments hereunder, Force Majeure will only be an event or act of a Governmental Authority that on any day disables the banking system through which a Party makes such payments. Force Majeure ~~may shall~~ include curtailments of the Project ordered or directed by for reliability purposes made by the Regional Transmission Organization, the reliability authority, the balancing authority, the distribution operator or any other entity having similar functions with respect to ~~responsible for~~ the operation of the transmission system to which the Project is interconnected, ~~provided that Seller can demonstrate to Buyer and the IPA that such curtailment:~~ (a) is for reliability purposes and not for economic purposes, (b) occurs after the first five (5) Delivery Years of the Delivery Term, and (c) the amount of such curtailment prevents the Delivery of more than five percent (5%) of the Annual Quantity in a Delivery Year. Upon such Force Majeure event, the Shortfall Amount in a Delivery Year may be excused by the amount of such curtailment ~~that exceeds~~

[Commenter 4] mark-up

~~five percent (5%) of the Annual Quantity.~~ Seller shall provide written notice to Buyer within thirty (30) days of the commencement of any curtailment that meets the foregoing requirements and, in the event that Sellers fails to so notify Buyer, Seller shall not be relieved of its Delivery obligations as a result of such curtailment. Upon the occurrence and proper notice of a curtailment meeting the foregoing requirements, Seller shall estimate the amount of Deliveries prevented by such curtailment based on the most recent twelve (12) months of actual production data from the Project and utilizing actual meteorological conditions during the period of curtailment and shall provide such estimate to Buyer along with all supporting documentation, including any supporting information from the RTO that curtailed the Project's generation.

If Force Majeure adversely affects the ability of Seller to Deliver RECs from the Project during the Delivery Term, then there shall be a Suspension Period with respect to that Project's obligations to Deliver RECs under this Agreement. During any Suspension Period, either Party's payment obligations under this Agreement shall be suspended with respect to any Product that is not Delivered as a result of Force Majeure. If the Suspension Period arising from such event lasts for a consecutive period of seven hundred thirty (730) days, then this Agreement shall be terminated and Seller's Performance Assurance shall be returned. If Force Majeure adversely affects the operability of the Project and Seller has determined that the damage to the Project is irreparable, then Seller may provide a written notice to Buyer and the IPA of such determination. Unless such determination is refuted by Buyer within ten (10) Business Days of Buyer's receipt of Seller's written notice, which shall be subject to the concurrence of the IPA, this Agreement shall be terminated and Seller's Performance Assurance shall be returned.

Force Majeure may not be based on: (i) the loss or failure of Buyer's markets; (ii) Buyer's inability economically to use or resell the Product purchased hereunder; (iii) Seller's ability to sell the Product to another at a price greater than the Strike Price; (iv) curtailment for economic purposes only made by ~~the Regional Transmission Organization responsible for the operation of the transmission system to which the Project is interconnected~~Seller; (v) insufficiency or unavailability of wind to operate the Project or generate sufficient quantities of Product; (vi) the performance or breakdown of equipment not directly caused by an External Event; or (vii) the loss of tax credits, the denial of deductions or the imposition of additional taxes.

Where the Date of First Operation has occurred, each thirty (30) day period within the Suspension Period shall extend the Acceptable Vintage Period by a Vintage month such that a Suspension Period between one (1) and thirty (30) days shall extend the Acceptable Vintage Period by one (1) Vintage month and each subsequent thirty (30) day periods in the Suspension Period shall extend the Acceptable Vintage Period by a corresponding Vintage month.<sup>3</sup>

## ARTICLE 11: GOVERNMENT ACTION

### 11.1 Government Action.

[[Commenter 4] Comment: Financing parties will require some certainty on the exposure relating to costs associated with changes in law or regulation. [Commenter 4] tried to address this financeability issue by including some increased costs protections relating to the costs resulting from future Environmental Attributes (Section 2.1(b), changes in tax law (Section 5.5) and Governmental Actions (Section 11.1).]

The Parties acknowledge that the Applicable Program, which among other things establishes the conditions for a market for certain Products, may be the subject of Government Action (including court challenge) that could adversely affect the eligibility of a Product to meet the requirements of an Applicable Program or

<sup>3</sup> For example, a Suspension Period of between 1 and 30 days shall extend the Acceptable Vintage Period by a calendar month, a Suspension Period of 31-60 days shall extend the Acceptable Vintage Period by two calendar months, and a Suspension Period of 61-90 days shall extend the Acceptable Vintage Period by three calendar months, and so on and so forth.

otherwise alter the requirements of the Applicable Program, or make a Product unavailable or dramatically diminished or increased in value. With respect to the Transaction, Seller represents that the Product complies with the Applicable Program and such representation is made and effective as of the Trade Date~~each Delivery Date~~, and regardless of any Government Action occurring after the Trade Date, Seller shall exercise commercially reasonable efforts to must Deliver Product that complies with the Applicable Program as of each Delivery Date. ~~Government Action that changes in any respect the value of a Product (without rendering the Product out of compliance with the Applicable Program if Regulatorily Continuing); will have no effect on the obligation of the Parties to purchase and sell such Product at the price and on the terms set forth in this Agreement. Buyer shall reimburse Seller any amount incurred by Seller in excess of the Commercially Reasonable Threshold to the extent such amount is incurred by Seller as a result of a Governmental Action in connection with delivering Product that complies with the Applicable Program; provided that, at the request of Buyer, Seller shall exercise commercially reasonable efforts to amend this Agreement such that the amended terms (a) give effect to the intent of the Parties in entering hereinto, and (b) preserve the balance of the economics and equities contemplated by this Agreement in all material respects.~~

To the extent that Government Action after the Trade Date (i) renders Delivery illegal under applicable law or (ii) renders the Product ineligible to comply with the Applicable Program in such a manner that no ~~commercially reasonable~~ modification to the Product or action taken by ~~Seller~~ the Parties (including an amendment of this Agreement entered pursuant to the terms of this Section 11.1) would allow the Product to comply with the Applicable Program, then (a) such Transaction will be terminated, (b) Seller's Performance Assurance shall be returned, (c) that portion of whatever has been paid for Products not yet Delivered or for non-conforming Products will be refunded by Seller, to the extent it is lawful to do so, and (d) neither Seller nor Buyer will have any liability to the other after such termination.

For purposes of this Section 11.1~~the foregoing~~, Seller shall be deemed to have used "commercially reasonable" efforts if Seller provides to Buyer evidence of expenditures or estimated expenditures in an amount that exceeds the Commercially Reasonable Threshold; provided, however, such evidence of expenditures or estimated expenditures shall be acceptable to Buyer, in its reasonable discretion. Notwithstanding the foregoing, no Transaction will be affected, cancelled, or otherwise impaired by Government Action that is specific to a Party under applicable law taken by a Governmental Authority alleging that Party's violation thereof.

## **11.2 Risk Allocation.**

The Product is Regulatorily Continuing.

# **ARTICLE 12: GOVERNING LAW**

## **12.1 Applicable Program.**

The Illinois Renewable Portfolio Standard ("RPS"), as established under 20 Ill. Comp. Stat. 3855/1-75 is the Applicable Program for this Agreement.

## **12.2 Governing Law.**

This Agreement is governed by and construed in accordance with the laws of the State of Illinois. To the full extent permitted under applicable law, if the Parties have agreed on the terms of a Transaction, the Parties agree not to contest, or to enter any defense concerning the validity or enforceability of a Transaction on the grounds that the documentation for such Transaction fails to comply with the requirements of a jurisdiction's Statute of Frauds or other applicable law requiring agreements to be written

or signed.

## ARTICLE 13: ASSIGNMENT

### 13.1 Assignment.

Neither Party may assign this Agreement or any Transaction without the prior written consent of the other, which consent will not be unreasonably withheld, conditioned or delayed; provided, however, either Party may, without the consent of the other, (i) pledge, encumber or collaterally assign this Agreement or the accounts, revenues or proceeds hereof in connection with any financing or other financial arrangements (but, in the case of Section 13.1(i) only, without relieving itself from liability hereunder), (ii) transfer or assign this Agreement to an Affiliate of such Party which Affiliate's creditworthiness is equal to or higher than that of such Party on the Effective Date, or (iii) transfer or assign this Agreement to any person or entity succeeding to all or substantially all of the assets whose creditworthiness is equal to or higher than that of such Party on the Effective Date; provided, however, that in the case of an assignment pursuant to Section 13.1(ii) and (iii), any such assignee must, prior to any assignment, agree in writing to be bound by the terms and conditions hereof and the transferring Party must deliver such tax and enforceability assurance as the non-transferring Party may reasonably request and, in the case of an assignment pursuant to Section 13.1(i), the transferring Party must give notice to the other Party within ten (10) days of any such collateral assignment. This Agreement will bind each Party's successors and permitted assigns. Any attempted assignment in violation of this provision will be void *ab initio*.

## ARTICLE 14: INDEMNIFICATION AND LIABILITY

### 14.1 Limitation of Liability.

The express remedies and measures of damages provided herein satisfy the essential purposes hereof. For breach of any provision for which an express remedy or measure of damage is provided, such remedy or measure shall be the sole and exclusive remedy therefor.

If no remedy or measure of damage is expressly provided, the obligor's liability shall be limited to direct actual damages only as the sole and exclusive remedy. Except as specifically set forth herein, no party shall be required to pay or be liable for special, consequential, incidental, punitive, exemplary, or indirect damages, ~~lost profit~~ or business interruption damages, by statute, in tort, contract or otherwise. To the extent any damages required to be paid hereunder are deemed liquidated, the parties acknowledge that the damages are difficult or impossible to determine, or otherwise obtaining an adequate remedy is inconvenient and the damages calculated hereunder constitute a reasonable approximation of the harm or loss.

Notwithstanding any other provisions of this Agreement, in no event shall Seller be liable to Buyer in an amount that exceeds ~~the sum of~~ the Collateral Requirement, except to the extent remedies set forth in Sections 2.2(i), 9.2(h), 9.2(i) or 9.4 exceed such amount and one hundred and ten percent (110%) of the total payments Seller has received from Buyer associated with RECs from the Project. [[Commenter 4] Comment: There should not be other instances where the exposure of Seller exceeds the Collateral Requirement.]

Notwithstanding any other provisions of this Agreement, in no event shall Buyer be liable to Seller in an amount that exceeds one hundred and ten percent (110%) of the total payments Seller has received from Buyer associated with RECs from the Project, except to the extent remedies set forth in Section 9.4 exceed such amount. [[Commenter 4] Comment: Changes proposed on the limitation of Buyer's liability and in Section 9.4 (on the Termination Payment calculation) are critical to avoid bankability concerns and ensuring

that the Seller is appropriately compensated in the event of termination due to a Buyer's default, in particular during the early term of the Agreement.]

## ARTICLE 15: MISCELLANEOUS

### 15.1 Notices.

All notices, requests, statements or payments will be made as specified in this Agreement. Notices, unless otherwise specified herein, must be in writing and delivered by electronic means. Notice is effective when transmitted, if transmitted before or during business hours on a Business Day, and otherwise will be effective on the next Business Day. A Party may change its addresses by providing notice of such change in accordance herewith and updating the information in Exhibit B.

### 15.2 Dispute Resolution.

Disputes under this Agreement will be resolved in accordance with applicable law, or in accordance with the provisions of this Section 15.2.

#### Waiver of Jury Trial

Waiver of Jury Trial. Each Party knowingly, voluntarily, intentionally and irrevocably waives the right to a trial by jury in respect of any litigation based on this Agreement, or arising out of, under or in connection with this Agreement and any agreement executed or contemplated to be executed in conjunction with this Agreement, or any course of conduct, course of dealing, statements (whether verbal or written) or actions of any Party hereto. This provision is a material inducement to each of the Parties for entering hereinto. Each Party hereby waives any right to consolidate any action, proceeding or counterclaim arising out of or in connection with this Agreement or any other agreement executed or contemplated to be executed in conjunction with this Agreement, or any matter arising hereunder or thereunder, in which a jury trial has not or cannot be waived.

#### Mediation

If any dispute or claim should arise between the Parties that cannot be resolved through negotiation, the Parties shall endeavor to settle the dispute by mediation. Either Party may request in writing that the other Party mediate the dispute; and such notice shall set forth the subject of the dispute and the relief requested (the "Dispute Notice"). The mediation shall be conducted by the IPA unless one or more of the Parties object to mediation with the IPA.

If the one or more of the Parties do not object to mediation with the IPA, the disputing Party shall provide a written request to the IPA for mediation. Such written request shall include a brief summary of the dispute, with confidential information so marked. The IPA shall undertake mediation procedures developed by the IPA for the purposes of implementing this Section 15.2.

If one or more of the Parties object to mediation with the IPA, the mediation shall be conducted by a mediator affiliated with and under the commercial rules of the American Arbitration Association ("AAA"). The AAA's mediation procedures under the commercial rules are available at [https://www.adr.org/sites/default/files/CommercialRules\\_Web.pdf](https://www.adr.org/sites/default/files/CommercialRules_Web.pdf).

#### Binding Arbitration

- (1) Unless otherwise settled by mediation or directly settled by the Parties, any dispute or claim

arising out of or related hereto or any breach thereof or any need for interpretation related to any dispute arising out of or related hereto will be settled by binding arbitration administered by the AAA in Illinois. Either Party will have the right to commence an arbitration by written notice to the other Party after the expiration of ninety (90) calendar days from the Dispute Notice mentioned above, or if nonbinding mediation was terminated, ten (10) days after the termination of the mediation. The arbitration will be conducted as follows:

(A) There will be one arbitrator who has not previously been employed by either Party, is qualified by education or experience to decide the matters relating to the questions in dispute, and does not have a direct or indirect interest in either Party or a financial interest in the outcome of the arbitration and who is available within the time frames set forth herein. Such arbitrator will either be selected by mutual agreement by the Parties within thirty (30) days after written notice from the Party requesting arbitration, or failing agreement by such time, the arbitrator will be selected within the following fourteen (14) days by the AAA under the AAA Rules.

(B) Such arbitration will be held at a location within the State of Illinois. Absent agreement, the arbitrator shall set the precise location of the arbitration based on where it is most convenient and cost effective to resolve the dispute, and if it is an international matter, with regard to any special considerations raised by the Parties that may therefore be relevant.

(C) The AAA Rules (including the Optional Rules for Emergency Protection Measures) apply to the extent not inconsistent with the rules herein specified. If the dispute is international in scope as defined in the United Nations Commission on International Trade Law Model Law on International Commercial Arbitration, the AAA's Supplementary Procedures for International Commercial Disputes shall apply.

(D) The hearing will be conducted on a confidential basis and except as required by law, neither the Parties nor the arbitrator may disclose the existence, content or results of any arbitration hereunder without the prior written consent of all the Parties.

(E) At the request of a Party, the arbitrator will have the discretion to order an examination of witnesses to the extent the arbitrator deems such additional discovery relevant and appropriate. Depositions will be limited to a maximum of two depositions for each Party, may be held by video conferencing to reduce travel expenses, and each deposition will be limited to a maximum of three hours. All objections are reserved to the hearing except objections based on privilege and proprietary or confidential information.

(F) The arbitrator will issue a confidential award accompanied by a statement regarding the reasons for the decision.

(G) The arbitrator and the Parties will make every attempt to resolve the arbitration within 90 days of appointment of the arbitrator. Upon the application of a Party and for good cause shown, the arbitrator may extend this time. Under no circumstances will the arbitration take longer than six months from the appointment of the arbitrator. However, failure to conclude the arbitration within the six-month period will not constitute grounds for vacating the award.

(H) Each Party will be responsible for its own filing fees and case service fees in connection with its claim. Other expenses and arbitrator compensation will be borne equally, subject to final apportionment by the arbitrator. Each Party will be responsible for its own expenses and those of its counsel and representatives.

(I) Any offer made or the details of any negotiation regarding the dispute prior to arbitration and the cost to the Parties of their representatives and counsel will not be admissible.

(2) Judgment on the award rendered by the arbitrator may be entered in any court of competent jurisdiction by the Party in whose favor such award is made.

(3) Regardless of any procedures or rules of the AAA: (i) the arbitrator will have no authority to award punitive damages, or any other form of damages waived by the Parties pursuant to the Agreement, or attorneys' fees; and (ii) the Parties may by written agreement alter any time deadline, locations for meetings, or procedure outlined in this section or in the AAA Rules, except that the provisions of subsection (1)(G) above will govern with respect to the time frame for the conclusion of the arbitration.

### 15.3 Waiver of Immunities.

To the extent either Party possesses any immunity on the grounds of sovereignty or other similar grounds, each Party irrevocably waives, to the fullest extent permitted by applicable law, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from (a) suit, (b) jurisdiction of any court, (c) relief by way of injunction, order for specific performance or for recovery of property, (d) attachment of its assets (whether before or after judgment) and (e) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any suit, action or proceedings relating hereto in the courts of any jurisdiction and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any such immunity in any suit, action or proceedings relating hereto.

### 15.4 Confidentiality.

Each Party shall hold in confidence and not release or disclose any document or information furnished by the other Party in connection with this Agreement. For clarity, this means each Party shall not disclose or release information received from the other Party to any third-party (other than the Party's employees, Guarantor, lenders, prospective Guarantors, prospective lenders, prospective purchasers, investors, prospective investors, counsel, accountants or advisors who have to know such information and have agreed to keep such terms confidential) without the disclosing Party's written consent; and further, each Party shall restrict access to such information to as few as possible of its employees. The foregoing shall not apply if: (a) compelled to disclose such document or information by judicial, regulatory or administrative process or other provisions of law; (b) such document or information is generally available to the public; (c) such document or information was available to the receiving Party on a non-confidential basis; or (d) such document or information was available to the receiving Party on a non-confidential basis from a third-party, provided that the receiving Party does not know, and, by reasonable effort, could not know that such third-party is prohibited from transmitting the document or information to the receiving Party by a contractual, legal or fiduciary obligation.

The Parties are entitled to all remedies available at law or in equity to enforce, or seek relief in connection with, this confidentiality obligation. If a Party is required or requested to disclose any confidential information as provided in (a) above, such Party shall, to the extent permitted by applicable law, provide the other Party with written notice within five (5) Business Days so that the other Party may seek on its own behalf a protective order or any other appropriate remedy. If such protective order or other remedy is not obtained, the disclosing Party will cooperate with the other Party's counsel to enable such Party to obtain a protective order or other reliable assurance that confidential treatment will be accorded the confidential information. The Parties shall maintain the confidentiality of the terms of the Transaction hereunder in compliance with Section 16-111.5(h) of the Illinois Public Utilities Act (220 ILCS 5/16-111.5(h)). All confidentiality obligations set forth herein shall survive for a period of two (2) years following the expiration or termination of this Agreement, provided, however, that with respect to any confidential information that constitutes a "trade secret" under applicable law, these covenants shall apply for the life of the trade secret. [Commenter 4] Comment: Changes proposed to this provision are customary. [Commenter 4] would strongly prefer not to have indefinite obligations.

### **15.5 Day Conventions.**

Unless otherwise specifically provided herein or in a Product Order, (i) “day” means a calendar day and includes Saturdays, Sundays and holidays, and (ii) if a payment falls due on a day that is not a Business Day, the payment will be due on the next Business Day thereafter.

### **15.6 Indemnity.**

Each Party will indemnify, defend and hold harmless the other Party from and against any claims or demands made by others arising from or out of any event, circumstance, act or incident first occurring or existing during the period when control and title to Product is vested in such Party as provided herein, except to the extent arising from the indemnified Party’s own gross negligence or willful misconduct. Each Party will indemnify, defend and hold harmless the other Party against any taxes for which such Party is responsible under Section 5.5.

### **15.7 General.**

(a) This Agreement constitutes the entire agreement between the Parties relating to its subject matter. Any prior agreement or negotiation between the Parties with respect to the subject hereof is superseded. Any Product Order or any collateral, credit support or margin agreement or similar arrangement between the Parties will, upon designation by the Parties, be deemed part hereof and incorporated herein by reference, with this Agreement controlling in the event of a contradiction.

(b) This Agreement will be considered for all purposes as prepared through the joint efforts of the Parties and not be construed against one Party or the other as a result of the preparation, substitution, organizational membership, submission or other event of negotiation, drafting or execution hereof.

(c) No amendment or modification hereto or to any written Product Order is enforceable unless in writing and executed by both Parties.

(d) Headings used herein are for convenience and reference purposes only.

(e) Nothing herein constitutes any Party a partner, agent or legal representative of the other Party or creates any fiduciary relationship between them.

(f) The waiver by either Party of a default or a breach by the other Party will not operate or be construed to operate as a waiver of any subsequent default or breach. The making or the acceptance of a payment by either Party with knowledge of the existence of a default or breach will not operate as a waiver of any default or breach.

(g) Except as provided in a Product Order or pursuant to Section 11.1, if any provision hereof is, for any reason, determined to be invalid, illegal, or unenforceable in any respect, the Parties will negotiate in good faith and agree to such amendments, modifications, or supplements of or to this Agreement or such other appropriate actions that will, to the maximum extent practicable in light of such determination, implement and give effect to the intentions of the Parties as reflected herein, and the other provisions hereof will, as so amended, modified, or supplemented, or otherwise affected by such action, remain in full force and effect.

(h) This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which taken together will constitute one and the same original instrument. Delivery of an executed counterpart of a signature page to the Agreement by electronic means shall be effective as delivery of a manually executed counterpart of the Agreement. Electronic copies of executed original copies of the Agreement shall be sufficient and admissible evidence of the content and existence of the Agreement to the

same extent as the originally executed copy or copies (if executed in counterpart).

(i) Any document generated by the Parties with respect to this Agreement, including this Agreement, may be imaged and stored electronically and introduced as evidence in any proceeding as if original business records. Neither Party will object to the admissibility of such images as evidence in any proceeding on account of having been stored electronically.

(j) Exhibits are provided as samples for convenience of Parties and the actual forms and reports issued under this Agreement may reflect differences that are non-material in nature to facilitate the administration of this Agreement, and if necessary to correct typographical errors, cure inconsistencies in the provisions of this Agreement or clarify the intent of the provisions of this Agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date.

\_\_\_\_\_  
Party A Name

By:

Name:

Title:

\_\_\_\_\_  
Party B Name

By:

Name:

Title:

## **LIST: ACCOMPANYING EXHIBITS**

Exhibit A – Form of Product Order

Exhibit B – Contact Information for Notices

Exhibit C – Form of Reports and Notices *[Reserved]*

Exhibit D – Form of Invoice

Exhibit E – Form of Security Instruments

Exhibit E-1 – Form of Letter of Credit

Exhibit E-2 – Form of Guaranty (Ameren Illinois Company)

Exhibit E-3 – Form of Guaranty (Commonwealth Edison Company)

Exhibit E-4 – Schedule 1: Foreign Guarantor Requirement (Commonwealth Edison Company)

Exhibit E-5 – Form of Guaranty (MidAmerican Energy Company)

Exhibit F – Examples

Exhibit F-1 – Example of Delivery Year Requirement Calculation

## EXHIBIT A Form of Product Order

*(One Product Order to be completed for the Project selected through the RFP)*

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

Project Information	Class of Resource: <input type="checkbox"/> Utility-Scale Wind Project <input type="checkbox"/> Utility-Scale Solar Project <input type="checkbox"/> Brownfield Site Photovoltaic Project  Renewable Energy Source <input type="checkbox"/> Wind <input type="checkbox"/> Photovoltaic cells  Site Description:
Deadline for the Delivery of One (1) REC	[May 31, 2025]
RFP Awarded Annual Quantity	_____ RECs
Annual Quantity	_____ RECs
Maximum Contract Quantity	_____ RECs (i.e. Annual Quantity x 20 years)
Strike Price (\$ per MWh)	
Certified by Tracking System	<input type="checkbox"/> PJM EIS GATS <input type="checkbox"/> M-RETS
Index Price applicable Illinois trading hub	<input type="checkbox"/> PJM-NIHUB <input type="checkbox"/> MISO-IL
Prevailing Wage Act	<input type="checkbox"/> Yes, requirements apply to Project <input type="checkbox"/> No, Project is exempt from requirements
Project Labor Agreements Act	<input type="checkbox"/> Yes, requirements apply to Project <input type="checkbox"/> No, Project is exempt from requirements

Party A Name  
By:  
Name:  
Title:

Party B Name  
By:  
Name:  
Title:

## EXHIBIT B Contact Information for Notices

All notices to the Illinois Power Agency to be sent to: \_\_\_\_\_

Party A: \_\_\_\_\_

Party B: \_\_\_\_\_

**All Notices:**

Street:  
City:  
State and ZIP:  
Attn:  
Phone:  
Email:  
Federal Tax ID Number:

**All Notices:**

Street:  
City:  
State and ZIP:  
Attn:  
Phone:  
Email:  
Federal Tax ID Number:

**Invoices:**

Attn:  
Phone:  
Email:

**Invoices:**

Attn:  
Phone:  
Email:

With a copy to:

Attn:  
Phone:  
Email:

With a copy to:

Attn:  
Phone:  
Email:

**Payments:**

Attn:  
Phone:  
Email:

**Payments:**

Attn:  
Phone:  
Email:

**Wire Transfer:**

BNK:  
ABA:  
ACCT:

**Wire Transfer:**

BNK:  
ABA:  
ACCT:

**ACH Transfer:**

BNK:  
ABA:  
ACCT:

**ACH Transfer:**

BNK:  
ABA:  
ACCT:

**Credit and Collections:**

Attn:  
Phone:  
Email:

**Credit and Collections:**

Attn:  
Phone:  
Email:

With additional Notices of an Event of Default or Potential Event of Default to:

Attn:  
Phone:  
Email:

With additional Notices of an Event of Default or Potential Event of Default to:

Attn:  
Phone:  
Email:

**EXHIBIT C**  
**Form of Reports and Notices**

*[Reserved]*

## **EXHIBIT D Form of Invoice**

*During the Term of this Agreement, Seller shall render to Buyer an invoice by electronic mail for the payment obligations of Buyer to Seller on or before the 10th day of the month immediately following each Delivery Month (“Invoice Due Date”) in which RECs are Delivered. All invoices under this Agreement shall be payable and due on the last Business Day of the month that immediately follows a Delivery Month.*

*(The Form of Invoice must contain information for the Project in this Agreement)*

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

Project PJM-EIS GATS or M-RETS ID: \_\_\_\_\_

Buyer: \_\_\_\_\_

Buyer Address: \_\_\_\_\_

Seller name: \_\_\_\_\_

Seller address: \_\_\_\_\_

Payment Due Date: \_\_\_\_\_

Delivery Month: \_\_\_\_\_

Vintage and Quantity of RECs Delivered: \_\_\_\_\_

REC Monthly Price: \$\_\_\_\_\_

Invoice Amount: \$\_\_\_\_\_

**REMIT PAYMENT TO:**

Wire Transfer: \_\_\_\_\_

ACH Transfer: \_\_\_\_\_

**EXHIBIT E**  
**Form of Security Instruments**

**Exhibit E-1**  
**Form of Letter of Credit**

**OPTION 1**

IRREVOCABLE STANDBY LETTER OF CREDIT FORM  
DATE OF ISSUANCE: \_\_\_\_\_

[Address]

Re: Credit No. \_\_\_\_\_

We, \_\_\_\_\_ (the “Issuing Bank”), hereby establish our Irrevocable Transferable Standby Letter of Credit (the “Letter of Credit”) in favor of \_\_\_\_\_ (you, the “Beneficiary”) for the account of \_\_\_\_\_ (the “Account Party”), for the aggregate amount not exceeding \_\_\_\_\_ United States Dollars (\$ \_\_\_\_\_), available to you at sight upon demand at our counters at \_\_\_\_\_ [designate Issuing Bank’s location for presentments] on or before the expiration hereof against presentation to us of one or more of the following statements, dated and signed by an Authorized Officer of the Beneficiary:

1. “An Event of Default (as defined in the Renewable Energy Credit Agreement dated as of \_\_\_\_\_ between [Beneficiary Name] (“Beneficiary”) and [Account Party’s Name] (“Account Party”), as the same may be amended (the “REC Contract”)) has occurred and is continuing with respect to Account Party under the REC Contract and no Event of Default has occurred and is continuing with respect to the Beneficiary of this Letter of Credit. Wherefore, the undersigned does hereby demand payment of \_\_\_\_\_ United States Dollars (\$ \_\_\_\_\_) [or the entire undrawn amount of the Letter of Credit]”;
2. “An Early Termination Date (as defined in the Renewable Energy Credit Agreement dated as of \_\_\_\_\_ between [Beneficiary Name] (“Beneficiary”) and [Account Party’s Name] (“Account Party”), as the same may be amended (the “REC Contract”)) has occurred and is continuing with respect to Account Party under the REC Contract and no Event of Default has occurred and is continuing with respect to the Beneficiary of this Letter of Credit. Wherefore, the undersigned does hereby demand payment of \_\_\_\_\_ United States Dollars (\$ \_\_\_\_\_) [or the entire undrawn amount of the Letter of Credit]”; or
3. “The expiration date of your Letter of Credit is less than twenty (20) days from the date of this statement, and Account Party under such Letter of Credit is required, but has failed, to provide a replacement letter of credit or other collateral beyond such expiration date in accordance with, and to assure performance of, its obligations under the Renewable Energy Credit Agreement between Account Party and the Beneficiary of the Letter of Credit (as the same may be amended, the “REC Contract”). No event of default has occurred and is continuing under the REC Contract with respect to the Beneficiary. Wherefore, the undersigned does hereby demand payment of \_\_\_\_\_ United States Dollars (\$ \_\_\_\_\_) [or the entire undrawn amount of the Letter of Credit]”.

This Letter of Credit shall expire on \_\_\_\_\_. It is a condition of this Letter of Credit that it will be automatically extended for one year periods (to the immediately following anniversary of its then current expiration date) following its then current expiration date, unless at least sixty (60) days before its then current expiration date, we notify you, by electronic means to \_\_\_\_\_ Attn: \_\_\_\_\_ that we do not intend to extend this Letter of Credit; provided that the original notice shall be simultaneously forwarded by overnight

courier service to you at the above address; provided further that the failure of the courier service to timely deliver shall not affect the efficacy of the notice.

The amount which may be drawn by you under this Letter of Credit shall be automatically reduced by the amount of any drawings paid by the Issuing Bank. Partial drawings and multiple presentations are permitted hereunder.

We hereby agree with you that documents drawn under and in compliance with the terms and conditions of this Letter of Credit shall be duly honored upon presentation as specified. 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: \_\_\_\_\_, and confirmed by telephone to us at the following number: \_\_\_\_\_. Presentation of documents to effect a draw by electronic means must be made to the following email address: \_\_\_\_\_, and confirmed by telephone to us at the following number: \_\_\_\_\_. In the event of a presentation via facsimile transmission, no mail confirmation is necessary and the facsimile transmission will constitute the operative drawing documents.

This Letter of Credit shall be governed by the Uniform Customs and Practice for Documentary Credits, 2007 Revision, International Chamber of Commerce Publication No. 600, or any successor publication thereto (the "UCP"), except to the extent that the terms hereof are inconsistent with the provisions of the UCP, including but not limited to Articles 14(b), 16(d) and 36 of the UCP, in which case the terms of this Letter of Credit shall govern. Matters not covered by the UCP shall be governed and construed in accordance with the laws of the State of New York.

With respect to Article 14(b) of the UCP, the Issuing Bank shall have a reasonable amount of time, not to exceed three (3) Business Days, following the date of its receipt of documents from the Beneficiary, to examine the documents and determine whether to take up or refuse the documents and shall inform the Beneficiary accordingly. With respect to Article 16(d) of the UCP, the notice required in sub-article 16C must be given no later than the banks' close of business on the third Business Day following the date of presentation.

Article 36 of the UCP as it applies to this Irrevocable Standby Letter of Credit is hereby modified to provide that in the event of an Act of God, riot, civil commotion, insurrection, war or any other cause beyond our control that interrupts our business (collectively, an "Interruption Event") and causes the place for presentation of this Letter of Credit to be closed for business on the last day for presentation, the expiry date of this Letter of Credit will be automatically extended without amendment to a date thirty (30) calendar days after the place for presentation reopens for business. Article 36 of the UCP as it applies to this Irrevocable Standby Letter of Credit is hereby further modified to provide that any alternate place for presentation that we designate must be located in the United States.

We, the Issuing Bank, hereby certify that as of the Date of Issuance of this Irrevocable Standby Letter of Credit our senior unsecured debt is rated "A-" or better by S&P Global Ratings ("S&P") if rated by S&P, "A3" or better from Moody's Investors Service ("Moody's") if rated by Moody's, and "A-" or better by Fitch Ratings ("Fitch") if rated by Fitch. We hereby certify that our senior unsecured debt is rated by at least two of S&P, Moody's, and Fitch. If affiliated with a foreign bank, we further certify we are a U.S. branch office of such foreign bank and that as of the Date of Issuance of this Letter of Credit, our senior unsecured debt meets the ratings requirement of this paragraph.

As used herein, the term "Business Day" means any day on which Federal Reserve Banks and Branches are open for business, such that payments can be effected on the Fedwire system and the term "Authorized Officer" means President, Treasurer, any Vice President or any Assistant Treasurer.

This Letter of Credit is transferable in whole but not in part, in accordance with the procedures in UCP 600 through the submission of a Letter of Full Transfer utilizing one of the attached forms of Letter of Full Transfer (Schedules 1-3), accompanied by the original Letter of Credit and original amendments, if any, but otherwise may not be amended, changed or modified without the express written consent of the Beneficiary, the Issuing Bank and the Account Party.

This Letter of Credit may not be transferred to any person with which U.S. persons are prohibited from doing business under U.S. Foreign Assets Control Regulations or other applicable U.S. Laws and Regulations.

We will not make any payment under this Letter of Credit (1) to any entity or person who is subject to the sanctions issued by the United States Department of Commerce, or to whom payment is prohibited by the foreign asset control regulations of the United States Department of the Treasury, or (2) which otherwise is in contravention of United

February 23, 2022 [DRAFT]

[Commenter 4] mark-up

States laws and regulations.

[The Issuing Bank may add specific contact or additional information or administrative- only comments at this point. However, such comments shall not create or alter any rights that vary from the above language].

[BANK SIGNATURE]

**OPTION 2**

IRREVOCABLE STANDBY LETTER OF CREDIT FORM

DATE OF ISSUANCE: \_\_\_\_\_

[Address]

Re: Credit No. \_\_\_\_\_

We, \_\_\_\_\_ (the "Issuing Bank"), hereby establish our Irrevocable Transferable Standby Letter of Credit (the "Letter of Credit") in favor of \_\_\_\_\_ (you, the "Beneficiary") for the account of \_\_\_\_\_ (the "Account Party"), for the aggregate amount not exceeding \_\_\_\_\_ United States Dollars (\$ \_\_\_\_\_), available to you at sight upon demand at \_\_\_\_\_ [designate Issuing Bank's location for presentments] on or before the expiration hereof against presentation to us of one or more of the following statements, dated and signed by an Authorized Officer of the Beneficiary:

1. "An Event of Default (as defined in the Renewable Energy Credit Agreement dated as of \_\_\_\_\_ between [Beneficiary Name] ("Beneficiary") and [Account Party's Name] ("Account Party"), as the same may be amended (the "REC Contract")) has occurred and is continuing with respect to Account Party under the REC Contract and no Event of Default has occurred and is continuing with respect to the Beneficiary of this Letter of Credit. Wherefore, the undersigned does hereby demand payment of \_\_\_\_\_ United States Dollars (\$ \_\_\_\_\_) [or the entire undrawn amount of the Letter of Credit]";
2. "An Early Termination Date (as defined in the Renewable Energy Credit Agreement dated as of \_\_\_\_\_ between [Beneficiary Name] ("Beneficiary") and [Account Party's Name] ("Account Party"), as the same may be amended (the "REC Contract")) has occurred and is continuing with respect to Account Party under the REC Contract and no Event of Default has occurred and is continuing with respect to the Beneficiary of this Letter of Credit. Wherefore, the undersigned does hereby demand payment of \_\_\_\_\_ United States Dollars (\$ \_\_\_\_\_) [or the entire undrawn amount of the Letter of Credit]"; or
3. "The expiration date of your Letter of Credit is less than twenty (20) days from the date of this statement, and the Account Party under such Letter of Credit is required, but has failed, to provide a replacement letter of credit or other collateral beyond such expiration date in accordance with, and to assure performance of, its obligations under the Renewable Energy Credit Agreement between Account Party and the Beneficiary of the Letter of Credit (as the same may be amended, the "REC Contract"). No event of default has occurred and is continuing under the REC Contract with respect to the Beneficiary. Wherefore, the undersigned does hereby demand payment of \_\_\_\_\_ United States Dollars (\$ \_\_\_\_\_) [or the entire undrawn amount of the Letter of Credit]".

This Letter of Credit shall expire on \_\_\_\_\_. It is a condition of this Letter of Credit that it will be automatically extended for one year periods (to the immediately following anniversary of its then current expiration date) following its then current expiration date, unless at least sixty (60) days before its then current expiration date, we notify you, by electronic means to \_\_\_\_\_ Attn: \_\_\_\_\_ that we do not intend to extend this Letter of Credit; provided that the original notice shall be simultaneously forwarded by overnight courier service to you at the above address; provided further that the failure of the courier service to timely deliver shall not affect the efficacy of the notice.

The amount which may be drawn by you under this Letter of Credit shall be automatically reduced by the amount of any drawings paid by the Issuing Bank. Partial drawings and multiple presentations are permitted hereunder.

We hereby agree with you that documents drawn under and in compliance with the terms and conditions of this Letter of Credit shall be duly honored upon presentation as specified. 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: \_\_\_\_\_, and confirmed by telephone to us at the following number: \_\_\_\_\_. Presentation of documents to effect a draw by electronic means must be made to the following email address: \_\_\_\_\_, and confirmed by telephone to us at the

following number: \_\_\_\_\_. In the event of a presentation via facsimile transmission, no mail confirmation is necessary and the facsimile transmission will constitute the operative drawing documents.

This Letter of Credit is subject to International Standby Practices (ISP98), International Chamber of Commerce (“ICC”) Publication No. 590, or any successor publication thereto. This Standby Letter of Credit shall be deemed to be made under the laws of the State of New York, including Article 5 of the Uniform Commercial Code, and shall, as to matters not governed by the International Standby Practices (ISP98), be governed by and construed in accordance with the laws of the State of New York, excluding any choice of law provisions or conflict of law principles which would require reference to the laws of any other jurisdiction.

Rule 3.14(a) of the ISP as it applies to this Irrevocable Standby 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 reopens for business.

Rule 3.14(b) of the ISP as it applies to this Irrevocable Standby Letter of Credit is hereby further modified to provide that any alternate place for presentation that we designate must be located in the United States.

We, the Issuing Bank, hereby certify that as of the Date of Issuance of this Irrevocable Standby Letter of Credit our senior unsecured debt is rated “A-” or better by S&P Global Ratings (“S&P”) if rated by S&P, “A3” or better from Moody’s Investors Service (“Moody’s”) if rated by Moody’s, and “A-” or better by Fitch Ratings (“Fitch”), if rated by Fitch. We hereby certify that our senior unsecured debt is rated by at least two of S&P, Moody’s, and Fitch. If affiliated with a foreign bank, we further certify we are a U.S. branch office of such foreign bank and that as of the Date of Issuance of this Letter of Credit, our senior unsecured debt meets the ratings requirement of this paragraph.

As used herein, the term “Business Day” means any day on which Federal Reserve Banks and Branches are open for business, such that payments can be effected on the Fedwire system and the term “Authorized Officer” means President, Treasurer, any Vice President or any Assistant Treasurer.

This Letter of Credit, except as expressly stated herein, is transferable in whole but not in part in accordance with the ICC Publication No. 590. Any transfer request must be presented to us utilizing one of the attached forms of Letter of Full Transfer (Schedules 1-3) together with the original Letter of Credit and original amendments, if any. Transfers to designated foreign nationals and/or specially designated nationals are not permitted as being contrary to the U.S. Treasury Department or foreign assets control regulations.

Except for the transfer, this letter of credit otherwise may not be amended, changed or modified without the express written consent of the Beneficiary, the Issuing Bank, and the Account Party.

We will not make any payment under this Letter of Credit (1) to any entity or person who is subject to the sanctions issued by the United States Department of Commerce, or to whom payment is prohibited by the foreign asset control regulations of the United States Department of the Treasury, or (2) which otherwise is in contravention of United States laws and regulations.

[The Issuing Bank may add specific contact or additional information or administrative-only comments at this point. However, such comments shall not create or alter any rights that vary from the above language].

[BANK SIGNATURE]

Schedule 1 to Exhibit E-1

**LETTER OF FULL TRANSFER**

\_\_\_\_\_, 20\_\_

To:  
Bank Address

Ladies/Gentlemen:

RE: Credit Issued By \_\_\_\_\_

\_\_\_\_\_

For value received, the undersigned beneficiary hereby irrevocably transfers to:

\_\_\_\_\_  
(Name of Transferee)

\_\_\_\_\_  
(Address)

all rights of the undersigned beneficiary to draw under the above Letter of Credit in its entirety.

By this transfer, all rights of the undersigned beneficiary in such Letter of Credit are transferred to the transferee and the transferee shall have the sole rights as beneficiary thereof, including sole rights relating to any amendments whether increases or extensions or other amendments and whether now existing or hereafter made. All amendments are to be advised directly to the transferee without necessity of any consent of or notice to the undersigned beneficiary.

The original of such Letter of Credit and original amendments, if any, are returned herewith, and we ask you to endorse the Letter of Credit and amendments on the reverse thereof, and forward these direct to the transferee with your customary notice of transfer.

Enclosed is remittance of \$\_\_\_\_\_ in payment of your transfer commission and in addition thereto we agree to pay to you on demand any expenses which may be incurred by you in connection with this transfer.

Transfer Commission Charges

\_\_\_\_\_  
\_\_\_\_\_

SIGNATURE AUTHENTICATED

Yours very truly,

The signatory/ies of this concern is/are authorized to withdraw corporate funds.

\_\_\_\_\_  
(BANK)

\_\_\_\_\_  
Signature of Beneficiary

\_\_\_\_\_  
(Authorized Signature)

SIGNATURE AUTHENTICATED

The signatory/ies of this concern is/are authorized to withdraw corporate funds.

\_\_\_\_\_  
(BANK)

\_\_\_\_\_  
Signature of Transferee

\_\_\_\_\_  
(Authorized Signature)

**Schedule 2 to Exhibit E-1**

**LETTER OF FULL TRANSFER**

Request for a Full Transfer of the below  
referenced Standby Letter of Credit

[Name of the Issuing Bank]

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

Reference: \_\_\_\_\_

(Issuing Bank’s Letter of Credit Number

To: \_\_\_\_\_

“Transferring Bank”

\_\_\_\_\_  
(Advising Bank’s Reference Number, if applicable)

We, the undersigned “First Beneficiary”, hereby irrevocably transfer all of our rights to draw under the above referenced Letter of Credit (“Credit”) in its entirety to:

\_\_\_\_\_  
(Print Name and complete address of the Transferee) “Second Beneficiary”

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Advise through:

\_\_\_\_\_  
(Print Name/address of the Second Beneficiary’s Bank, if known—  
if left blank, the Transferring Bank will select the advising bank)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

In accordance with UCP 600 Article 38 or ISP 98, Rule 6 regarding transfer of drawing rights (whichever set of rules the Credit is subject to), all rights of the undersigned First Beneficiary in such Credit are transferred to the Second Beneficiary. The Second Beneficiary shall have the sole rights as beneficiary thereof, including sole rights relating to any amendments whether increases or extensions or other amendments and whether now existing or hereafter made. All amendments are to be advised directly to the Second Beneficiary without necessity of any consent of or notice to the undersigned First Beneficiary.

The original Credit, including amendments to this date, is attached and the undersigned First Beneficiary requests that you endorse an acknowledgment of this transfer on the reverse thereof. The undersigned First Beneficiary requests that you notify the Second Beneficiary of this Credit in such form and manner as you deem appropriate, and the terms and conditions of the Credit as transferred.

Enclosed is remittance of \$[\_\_\_\_\_] in payment of your transfer commission and in addition thereto we agree to pay to you on demand any expenses which may be incurred by you in connection with this transfer.

Transfer Commission Charges

\_\_\_\_\_  
\_\_\_\_\_

First Beneficiary represents and warrants to Transferring Bank that (i) our execution, delivery, and performance of this request to Transfer (a) are within our powers and have been duly authorized (b) constitute our legal, valid, binding and enforceable obligation (c) do not contravene any charter provision, by-law, resolution, contract, or other undertaking binding on or affecting us or any of our properties and (d) do not require any notice, filing or other action to, with, or by any governmental authority (ii) we have not presented any demand or request for payment or transfer under the Credit affecting the rights to be transferred, and (iii) the Second Beneficiary's name and address are correct and complete and the transactions underlying the Credit and the requested Transfer do not violate applicable United States or other law, rule or regulation, including without limitation U.S. Foreign Asset Control regulations.

In the event that we fail to remit to you, following your written demand, any funds paid to us despite the Transfer, we agree to reimburse you for your reasonable costs of collecting those funds from us.

The Effective Date shall be the date hereafter on which Transferring Bank effects the requested transfer by acknowledging this request and giving notice thereof to Second Beneficiary.

WE WAIVE ANY RIGHT TO TRIAL BY JURY THAT WE MAY HAVE IN ANY ACTION OR PROCEEDING RELATING TO OR ARISING OUT OF THIS TRANSFER.

Sincerely Yours

---

(Print Name of First Beneficiary)

---

(Print Authorized Signer's Name and Title)

---

(Authorized Signature)

---

(Print Second Authorized Signer's Name and Title, if required)

---

(Second Authorized Signature, if required)

---

(Telephone Number)

SIGNATURE GUARANTEED Signature(s) with title(s) conform(s) with that/those on file with us for this individual, entity or company and signer(s) is/are authorized to execute this agreement

---

(Print Name of Bank)

---

(Address of Bank)

---

(City, State, Zip Code)

---

(Print Name and Title of Authorized Signer)

---

(Authorized Signature)

---

(Telephone Number)

---

(Date)

Schedule 3 to Exhibit E-1

**LETTER OF FULL TRANSFER**

\_\_\_\_\_, 20\_\_

[TRANSFEROR]

Re: Irrevocable Standby Letter of Credit No. \_\_\_\_\_

We request you to transfer all of our rights as beneficiary under the Letter of Credit referenced above to the Transferee, named below:

Name of Transferee

Address

By this transfer all our rights as the transferor, including all rights to make drawings under the Letter of Credit, go to the transferee. The transferee shall have sole rights as beneficiary, whether existing now or in the future, including sole rights to agree to any amendments, including increases or extensions or other changes. All amendments will be sent directly to the transferee without the necessity of consent by or notice to us.

We enclose the original letter of credit and any amendments. Please indicate your acceptance of our request for the transfer by endorsing the letter of credit and sending it to the transferee with your customary notice of transfer.

The signature and title at the right conform with those shown in our files as authorized to sign for the beneficiary. Policies governing signature authorization as required for withdrawals from customer accounts shall also be applied to the authorization of signatures on this form. The authorization of the Beneficiary's signature and title on this form also acts to certify that the authorizing financial institution (i) is regulated by a US. federal banking agency; (ii) has implemented anti-money laundering policies and procedures that comply with applicable requirements of law, including a Customer Identification Program (CIP) in accordance with Section 326 of the USA PATRIOT Act; (iii) has approved the Beneficiary under its anti-money laundering compliance program; and (iv) acknowledges that [the Transferor] is relying on the foregoing certifications pursuant to 31 C.F.R. Section 103.121 (b)(6)."

NAME OF BANK

AUTHORIZED SIGNATURE AND TITLE

PHONE NUMBER

NAME OF TRANSFEROR

NAME OF AUTHORIZED SIGNER AND TITLE

AUTHORIZED SIGNATURE

## Exhibit E-2 Form of Guaranty (Ameren Illinois Company)

THIS GUARANTY (this “Guaranty”), dated as of \_\_\_\_\_, 20\_\_, is made by \_\_\_\_\_ (the “Guarantor”), a \_\_\_\_\_ organized and existing under the laws of \_\_\_\_\_, in favor of **Ameren Illinois Company d/b/a Ameren Illinois** (the “Guaranteed Party”), a corporation organized and existing under the laws of the State of Illinois.

Terms not defined herein shall have the meanings given to them in the [\_\_\_\_\_] dated \_\_\_\_\_, 20\_\_ (as amended, modified or extended from time to time, the “Agreement”), between the Guaranteed Party and \_\_\_\_\_, a \_\_\_\_\_ organized and existing under the laws of \_\_\_\_\_ (the “Counterparty”). This Guaranty is made by Guarantor in consideration for, and as an inducement for the Guaranteed Party to enter into, the Agreement with the Counterparty. Guarantor, subject to the terms and conditions hereof, hereby unconditionally, irrevocably and absolutely guarantees to the Guaranteed Party the full and prompt payment and performance when due, subject to any applicable grace period, of all payment obligations of the Counterparty to the Guaranteed Party arising out of the Agreement. Without limiting the generality of the foregoing, Guarantor further agrees as follows:

1. The Guarantor, as primary obligor and not merely as surety, hereby irrevocably and unconditionally guarantees the full and prompt payment when due (whether by acceleration or otherwise) of any sums due and payable by the Counterparty as a result of an Event of Default under the Agreement (including, without limitation, indemnities, damages, fees and interest thereon, pursuant to the terms of the Agreement). Notwithstanding anything to the contrary herein, the maximum aggregate liability of the Guarantor under this Guaranty shall in no event exceed \_\_\_\_\_ provided, that Guarantor will be responsible for all reasonable legal fees, costs, and expenses incurred by the Guaranteed Party in enforcing the obligations under this Guaranty apart from such liability cap. All such principal, interest, obligations and liabilities, collectively, are the “Guaranteed Obligations.” This Guaranty is a guarantee of payment and not of collection.

2. The Guarantor hereby waives diligence, acceleration, notice of acceptance of this Guaranty and notice of any liability to which it may apply, and waives presentment and all demands whatsoever except as noted herein, notice of protest, notice of dishonor or nonpayment of any such liability, suit or taking of other action by the Guaranteed Party against, and any other notice to, any party liable thereon (including the Guarantor or any other guarantor), filing of claims with a court in the event of the insolvency or bankruptcy of the Counterparty, and any right to require a proceeding first against the Counterparty.

3. The Guaranteed Party may, at any time and from time to time, without notice to or consent of the Guarantor, without incurring responsibility to the Guarantor and without impairing or releasing the obligations of the Guarantor hereunder, upon or without any terms or conditions: (a) take or refrain from taking any and all actions with respect to the Guaranteed Obligations, any document or any person (including the Counterparty) that the Guaranteed Party determines in its sole discretion to be necessary or appropriate; (b) take or refrain from taking any action of any kind in respect of any security for any Guaranteed Obligation(s) or liability of the Counterparty to the Guaranteed Party; or (c) compromise or subordinate any Guaranteed Obligation(s) or liability of the Counterparty to the Guaranteed Party including any security therefor.

4. Subject to the terms and conditions hereof, the obligations of the Guarantor under this Guaranty are absolute, irrevocable and unconditional and, without limiting the generality of the foregoing, shall not be released, discharged or otherwise affected by: (a) any extension, renewal, settlement, compromise, waiver, consent, discharge or release by the Counterparty concerning any provision of the Agreement in respect of any Guaranteed Obligations of the Counterparty; (b) the rendering of any judgment against the Counterparty or any action to enforce the same; (c) the existence, or extent of, any release, exchange, surrender, nonperfection or invalidity of any direct or indirect security for any of the Guaranteed Obligations; (d) any modification, amendment, waiver, extension of or supplement to any of the Agreement or the Guaranteed Obligations agreed to from time to time by the Counterparty and the Guaranteed Party; (e) any change in the corporate existence (including its constitution, laws, rules, regulations or powers), structure or ownership of the Counterparty or the Guarantor, or any insolvency, bankruptcy, reorganization or other similar proceedings affecting the Counterparty or its assets, the Guarantor or any other guarantor of any of the Guaranteed Obligations; (f) the existence of any claim, set-off or other rights which the Guarantor may have at any time against the Counterparty, the Guaranteed

Party or any other corporation or person, whether in connection herewith or in connection with any unrelated transaction; provided that nothing herein shall prevent the assertion of any such claim by separate suit or compulsory counterclaim; (g) the invalidity, irregularity or unenforceability in whole or in part of the Agreement or any Guaranteed Obligations or any instrument evidencing any Guaranteed Obligations or the absence of any action to enforce the same, or any provision of applicable law or regulation purporting to prohibit payment by the Counterparty of amounts to be paid by it under the Agreement or any of the Guaranteed Obligations; and (h) except for a failure to comply with any applicable statute of limitations, any other act or omission to act or delay of any kind of the Counterparty, any other guarantor, the Guaranteed Party or any other corporation, entity or person or any other event, occurrence or circumstance whatsoever which might, but for the provisions of this paragraph, constitute a legal or equitable discharge of the Guarantor's obligations hereunder.

5. The Guarantor hereby irrevocably waives (a) any right of reimbursement or contribution, and (b) any right of salvage against the Counterparty or any collateral security or guaranty or right of offset held by the Guaranteed Party therefor until all Guaranteed Obligations to the Guaranteed Party pursuant to the Agreement have been irrevocably paid in full.

6. The Guarantor will not exercise any rights which it may acquire by way of subrogation or any other right to payment until all Guaranteed Obligations to the Guaranteed Party pursuant to the Agreement have been irrevocably paid in full.

7. Subject to the terms and conditions hereof, this Guaranty is a continuing one and all liabilities to which it applies or may apply under the terms hereof shall be conclusively presumed to have been created in reliance hereon. Except for a failure to comply with any applicable statute of limitations, no failure or delay on the part of the Guaranteed Party in exercising any right, power or privilege hereunder, and no course of dealing between the Guarantor and a Guaranteed Party, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights, powers and remedies herein expressly provided are cumulative and not exclusive of any rights, powers or remedies, which a Guaranteed Party would otherwise have. No notice to or demand on the Guarantor in any case shall entitle the Guarantor to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of a Guaranteed Party to any other or further action in any circumstances without notice or demand.

8. This Guaranty shall be binding upon the Guarantor and upon its successors and assigns and shall inure to the benefit of and be enforceable by the Guaranteed Party and its successors and assigns; provided, however, that the Guarantor may not assign or transfer any of its rights or obligations hereunder without the prior written consent of the Guaranteed Party. The assignment rights of the Guaranteed Party will be in accordance with any applicable terms of the Agreement.

9. Neither this Guaranty nor any provision hereof may be changed, waived, discharged or terminated except upon written agreement of the Guaranteed Party and the Guarantor.

10. The Guarantor's liability as guarantor shall continue and remain in full force and effect in the event that all or any part of any payment made hereunder or any obligation or liability guaranteed hereunder is recovered (as a fraudulent conveyance, preference or otherwise) rescinded or must otherwise be reinstated or returned due to bankruptcy or insolvency laws or otherwise. If claim is ever made upon the Guaranteed Party for repayment or recovery of any amount or amounts received from the Guarantor or the Counterparty in payment or on account of any of the Guaranteed Obligations and the Guaranteed Party repays all or part of such amount by reason of (a) any judgment, decree or order of any court or administrative body having jurisdiction over such payee or any of its property, or (b) any settlement or compromise of any such claim effected by such payee with any such claimant (including the Guarantor), then and in such event the Guarantor agrees that any such judgment, decree, order, settlement or compromise shall be binding upon it, notwithstanding any revocation hereof or the cancellation of the Agreement or other instrument evidencing any liability of the Guarantor, and the Guarantor shall be and remain liable to the Guaranteed Party hereunder for the amount so repaid or recovered to the same extent as if such amount had never originally been received by the Guaranteed Party.

11. Subject to Paragraph 10, this Guaranty shall remain in full force and effect until all Guaranteed Obligations have been fully and finally performed, at which point it will expire. The Guarantor may terminate this Guaranty upon thirty (30) days prior written notice to the Guaranteed Party which termination shall be effective only upon receipt by the Guaranteed Party of alternative means of security or credit support, as specified in the Agreement and in a form reasonably acceptable to the Guaranteed Party. Upon the effectiveness of any such expiration or termination, the Guarantor shall have no further liability under this Guaranty, except with respect to the Guaranteed Obligations arising or created prior to the time the expiration or termination is effective, which Guaranteed Obligations shall remain

guaranteed pursuant to the terms of this Guaranty until finally and fully performed.

12. All notices and other communications hereunder shall be made at the addresses by hand delivery, by the next day delivery service effective upon receipt, or by certified mail return receipt requested (effective upon scheduled weekday delivery day) or electronic means (effective upon receipt of evidence that the electronic communication was received)

If to the Guarantor:

[To be completed]

If to the Guaranteed Party:

[To be completed]

13. The Guarantor represents and warrants that: (a) it is duly organized and validly existing under the laws of the jurisdiction in which it was organized and has the power and authority to execute, deliver, and perform this Guaranty; (b) no authorization, approval, consent or order of, or registration or filing with, any court or other governmental body having jurisdiction over the Guarantor is required on the part of the Guarantor for the execution, delivery and performance of this Guaranty except for those already made or obtained; (c) this Guaranty constitutes a valid and legally binding agreement of the Guarantor, and is enforceable against the Guarantor in accordance with its terms; and (d) the execution, delivery and performance of this Guaranty by the Guarantor have been and remain duly authorized by all necessary corporate or comparable action and do not contravene any provision of its constituent documents or any law, regulation or contractual restriction binding on it or its assets.

14. This Guaranty and the rights and obligations of the Counterparty and the Guarantor hereunder shall be construed in accordance with and governed by the laws of the State of New York. The Guarantor and Guaranteed Party agree and irrevocably submit to the exclusive jurisdiction of state and federal courts located in the Northern District of the State of Illinois over any disputes arising or relating to this Guaranty and waive and agree not to assert as a defense any objections to venue or inconvenient forum. The Guarantor and the Guaranteed Party consent to and grant any such court jurisdiction over the person of such party and over the subject matter of such dispute and agree that summons or other legal process in connection with any such action or proceeding shall be deemed properly and effectively served when sent by certified U.S. mail, return receipt requested, to the address of the other party set forth in Paragraph 12 hereof, or in such other manner as may be permitted by law. The Guarantor and the Guaranteed Party each hereby irrevocably waives any and all rights to trial by jury with respect to any legal proceeding arising out of or relating to this Guaranty.

15. This writing is the complete and exclusive statement of the terms of this Guaranty and supersedes all prior oral or written representations, understandings, and agreements between the Guaranteed Party and the Guarantor with respect to subject matter hereof. The Guaranteed Party and the Guarantor agree that there are no conditions to the full effectiveness of this Guaranty.

16. Every provision of this Guaranty is intended to be severable. If any term or provision hereof is declared to be illegal or invalid for any reason whatsoever by a court of competent jurisdiction, such illegality or invalidity shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable.

17. If the Guarantor is a trust: no trustee of the Guarantor shall be held to any liability whatsoever for any obligation under this Guaranty, and this Guaranty shall not be enforceable against any such trustee in their or its, his or her individual capacities or capacity; and this Guaranty shall be enforceable against the trustees of the Guarantor only as such, and every person, firm, association, trust or corporation having any claim or demand arising under this Guaranty and relating to the Guarantor or any trustee of the Guarantor shall look solely to the trust estate of the Guarantor for the payment or satisfaction thereof.

February 23, 2022 [DRAFT]

[Commenter 4] mark-up

IN WITNESS WHEREOF, the Guarantor has caused this Guaranty to be executed and delivered as of the date first written above to be effective as of the earliest effective date of any of the Agreement.

[GUARANTOR]

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

Title:

## EXHIBIT E-3 Form of Guaranty (Commonwealth Edison Company)

THIS GUARANTY (this “Guaranty”), dated as of \_\_\_\_\_, 20\_\_, is made by \_\_\_\_\_ (the “Guarantor”), a \_\_\_\_\_ organized and existing under the laws of \_\_\_\_\_, in favor of Commonwealth Edison Company (the “Guaranteed Party”), a corporation organized and existing under the laws of the State of Illinois.

Terms not defined herein shall have the meanings given to them in the REC Contract dated \_\_\_\_\_, 20\_\_ (as amended, modified or extended from time to time, the “Agreement”), between the Guaranteed Party and \_\_\_\_\_, a \_\_\_\_\_ organized and existing under the laws of \_\_\_\_\_ (the “Seller”). This Guaranty is made by Guarantor in consideration for, and as an inducement for the Guaranteed Party to enter into, the Agreement entered into with the Seller pursuant to the RFP. Guarantor, subject to the terms and conditions hereof, hereby unconditionally, irrevocably and absolutely guarantees to the Guaranteed Party, upon written demand, the full and prompt payment when due, subject to any applicable grace period, of all payment obligations of the Seller to the Guaranteed Party arising out of the Agreement. Without limiting the generality of the foregoing, Guarantor further agrees as follows:

1. The Guarantor, as primary obligor and not merely as surety, hereby irrevocably and unconditionally guarantees the full and prompt payment when due (whether by acceleration or otherwise) of any sums due and payable by the Seller as a result of an Event of Default under the Agreement (including, without limitation, indemnities, damages, fees and interest thereon, pursuant to the terms of the Agreement). Notwithstanding anything to the contrary herein, the maximum aggregate liability of the Guarantor under this Guaranty shall

*Option 1* [in no event exceed \$\_\_\_\_.]

*Option 2* [in no event exceed the Collateral Requirement less the value of other liquid securities posted by the Seller under the Agreement.]

All such principal, interest, obligations and liabilities, collectively, are the “Guaranteed Obligations”. This Guaranty is a guarantee of payment and not of collection.

2. The Guarantor hereby waives diligence, acceleration, notice of acceptance of this Guaranty and notice of any liability to which it may apply, and waives presentment and all demands whatsoever except as noted herein, notice of protest, notice of dishonor or nonpayment of any such liability, suit or taking of other action by Guaranteed Party against, and any other notice to, any party liable thereon (including the Guarantor), filing of claims with a court in the event of the insolvency or bankruptcy of the Seller, and any right to require a proceeding first against the Seller.
3. The Guaranteed Party may, at any time and from time to time, without notice to or consent of the Guarantor, without incurring responsibility to the Guarantor and without impairing or releasing the obligations of the Guarantor hereunder, upon or without any terms or conditions: (a) take or refrain from taking any and all actions with respect to the Guaranteed Obligations, the Agreement with respect to the Guaranteed Obligations or any person (including the Seller) that the Guaranteed Party determines in its sole discretion to be necessary or appropriate; (b) take or refrain from taking any action of any kind in respect of any security for any Guaranteed Obligation(s) or liability of the Seller to the Guaranteed Party; or (c) compromise or subordinate any Guaranteed Obligation(s) or liability of the Seller to the Guaranteed Party including any security therefor.
4. Subject to the terms and conditions hereof, the obligations of the Guarantor under this Guaranty are absolute, irrevocable and unconditional and, shall not be released, discharged or otherwise affected by: (a) any extension, renewal, settlement, compromise, waiver, consent, discharge or release by the Seller concerning any provision of the Agreement governing any of the Guaranteed Obligations of the Seller; (b) the rendering of any judgment against the Seller or any action to enforce the same; (c) the existence, or extent of, any release, exchange, surrender, non-perfection or invalidity of any direct or indirect security for any of the Guaranteed Obligations; (d) any modification, amendment, waiver, extension of or supplement to the Agreement or the Guaranteed Obligations agreed to from time to time by the Seller and the Guaranteed Party; (e) any change in the corporate existence (including its constitution, laws, rules, regulations or powers), structure or ownership of the Seller or the

Guarantor, or any insolvency, bankruptcy, reorganization or other similar proceedings affecting the Seller, its assets or the Guarantor; (f) the existence of any claim, set-off or other rights which the Guarantor may have at any time against the Seller, the Guaranteed Party, whether in connection herewith or in connection with any unrelated transaction; provided that nothing herein shall prevent the assertion of any such claim by separate suit or compulsory counterclaim; and (g) the invalidity, irregularity or unenforceability in whole or in part of the Agreement or any Guaranteed Obligations or any instrument evidencing any Guaranteed Obligations or the absence of any action to enforce the same.

5. The Guarantor hereby irrevocably waives (a) any right of reimbursement or contribution, and (b) any right of salvage against the Seller or any collateral security or guaranty or right of offset held by the Guaranteed Party therefor until such time as all Guaranteed Obligations are paid in full.
6. The Guarantor will not exercise any rights, which it may acquire by way of subrogation until all Guaranteed Obligations to the Guaranteed Party pursuant to the Agreement have been paid in full.
7. Subject to the terms and conditions hereof, this Guaranty is a continuing Guaranty and all liabilities to which it applies or may apply under the terms hereof shall be conclusively presumed to have been created in reliance hereon. Except for a failure to comply with any applicable statute of limitations, no failure or delay on the part of the Guaranteed Party in exercising any right, power or privilege hereunder, and no course of dealing between the Guarantor and the Guaranteed Party, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights, powers and remedies herein expressly provided are cumulative and not exclusive of any rights, powers or remedies, which the Guaranteed Party would otherwise have. No notice to or demand on the Guarantor in any case shall entitle the Guarantor to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the Guaranteed Party to any other or further action in any circumstances without notice or demand.
8. This Guaranty shall be binding upon the Guarantor and upon its successors and assigns and shall inure to the benefit of and be enforceable by the Guaranteed Party and its successors and assigns; provided, however, that the Guarantor may not assign or transfer any of its rights or obligations hereunder without the prior written consent of the Guaranteed Party, which consent shall not be unreasonably withheld or delayed; and provided further that the Guarantor may, without the prior written consent of the Guaranteed Party, assign all of its rights and obligations under this Guaranty to an entity that has succeeded to the Guarantor by merger or by purchase of all or substantially all of the assets of the Guarantor and, in either case, has expressly assumed in writing all of the obligations of the Guarantor under this Guaranty. The assignment rights of the Guaranteed Party will be in accordance with any applicable terms of the Agreement.
9. Other than as provided in this Guaranty, neither this Guaranty nor any provision hereof may be changed, waived, discharged or terminated except upon written agreement of the Guaranteed Party and the Guarantor.
10. The Guarantor's liability as guarantor shall continue and remain in full force and effect in the event that all or any part of any payment made hereunder or any obligation or liability guaranteed hereunder is recovered (as a fraudulent conveyance, preference or otherwise) rescinded or must otherwise be reinstated or returned due to bankruptcy or insolvency laws or otherwise. If claim is ever made upon the Guaranteed Party for repayment or recovery of any amount or amounts received from the Guarantor or the Seller in payment or on account of any of the Guaranteed Obligations and the Guaranteed Party repays all or part of such amount by reason of (a) any judgment, decree or order of any court or administrative body having jurisdiction over such payee or any of its property, or (b) any settlement or compromise of any such claim effected by such payee with any such claimant (including the Guarantor), then and in such event the Guarantor agrees that any such judgment, decree, order, settlement or compromise shall be binding upon it, notwithstanding any revocation hereof or the cancellation of the Agreement or other instrument evidencing any liability of the Guarantor, and the Guarantor shall be and remain liable to the Guaranteed Party hereunder for the amount so repaid or recovered to the same extent as if such amount had never originally been received by the Guaranteed Party.
11. Subject to Paragraph 10, this Guaranty shall remain in full force and effect until all Guaranteed Obligations have been fully and finally paid, at which point it will expire. The Guarantor may terminate this Guaranty upon thirty (30) days prior written notice to the Guaranteed Party which termination shall be effective only upon receipt by the

Guaranteed Party of alternative means of security or credit support, as specified in the Agreement and in a form reasonably acceptable to the Guaranteed Party. Upon the effectiveness of any such expiration or termination, the Guarantor shall have no further liability under this Guaranty, except with respect to the Guaranteed Obligations arising or created prior to the time the expiration or termination is effective, which Guaranteed Obligations shall remain guaranteed pursuant to the terms of this Guaranty until finally and fully paid.

12. All notices and other communications hereunder shall be made at the addresses by hand delivery, by next day delivery service effective upon receipt, or by certified mail return receipt requested (effective upon scheduled weekday delivery day) or electronic means (effective upon receipt of evidence that the electronic communication was received)

If to the Guarantor: [To be completed with a U.S. address. If the Guarantor is not domiciled in the U.S., the address for its U.S.-based agent for service of process must be provided.]

If to the Guaranteed Party: [To be completed]

13. The Guarantor represents and warrants that: (a) it is duly organized and validly existing under the laws of the jurisdiction in which it was organized and has the power and authority to execute, deliver, and perform this Guaranty; (b) no authorization, approval, consent or order of, or registration or filing with, any court or other governmental body having jurisdiction over the Guarantor is required on the part of the Guarantor for the execution, delivery and performance of this Guaranty except for those already made or obtained; (c) this Guaranty constitutes a valid and legally binding agreement of the Guarantor, and is enforceable against the Guarantor, except as such enforceability may be limited by bankruptcy, insolvency, receivership and other similar laws affecting the rights of creditors generally, or by general principles of equity; and (d) the execution, delivery and performance of this Guaranty by the Guarantor have been and remain duly authorized by all necessary corporate or comparable action and do not contravene any provision of its \_\_\_\_\_ [insert appropriate corporate organizational document, such as Declaration of Trust, Limited Liability Company Agreement, Articles of Incorporation and by-laws, Certificate of Incorporation or by-laws, constitutional documents] or any law, regulation or contractual restriction binding on it or its assets.
14. This Guaranty and the rights and obligations of the Seller and the Guarantor hereunder shall be construed in accordance with and governed by the laws of the State of Illinois (without regard to conflict of law principles that would require the application of the substantive law of any other jurisdiction). The Guarantor and Guaranteed Party jointly and severally agree and irrevocably submit to the exclusive jurisdiction of state and federal courts located in the State of Illinois over any disputes arising or relating to this Guaranty and waive and agree not to assert as a defense any objections to venue or inconvenient forum. The Guarantor and the Guaranteed Party consent to and grant any such court jurisdiction over the person of such party and over the subject matter of such dispute and agree that summons or other legal process in connection with any such action or proceeding shall be deemed properly and effectively served when sent by certified U.S. mail, return receipt requested, to the address of the other party set forth in Paragraph 12 hereof, or in such other manner as may be permitted by law. The Guarantor and the Guaranteed Party each hereby irrevocably waives any and all rights to trial by jury with respect to any legal proceeding arising out of or relating to this Guaranty.
15. This writing is the complete and exclusive statement of the terms of this Guaranty and supersedes all prior oral or written representations, understandings, and agreement(s) between the Guaranteed Party and the Guarantor with respect to subject matter hereof. The Guaranteed Party and the Guarantor agree that there are no conditions to the full effectiveness of this Guaranty.

16. Every provision of this Guaranty is intended to be severable. If any term or provision hereof is declared to be illegal or invalid for any reason whatsoever by a court of competent jurisdiction, such illegality or invalidity shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable.
17. Notwithstanding anything to the contrary contained herein or in the Agreement, but excepting any express remedy set for in the Agreement, the Guarantor shall in no event be required to pay or be liable to the Guaranteed Party for any consequential, indirect or punitive damages, opportunity costs or lost profits.
18. Nothing herein is intended to deny to the Guarantor, and it is expressly agreed that the Guarantor shall have and may assert, any and all of the defenses, set-offs, counterclaims and other rights which Seller is or may be entitled arising from or out of the Agreement or otherwise, except for defenses arising out of the bankruptcy, insolvency, dissolution or liquidation of Seller.

IN WITNESS WHEREOF, the Guarantor has caused this Guaranty to be executed and delivered as of the date first written above to be effective as of the earliest effective date of any of the Agreement.

Accepted and Agreed to:

[GUARANTOR]

Signature: \_\_\_\_\_

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

Title: \_\_\_\_\_

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

Acknowledged and Accepted:

Commonwealth Edison Company

Signature: \_\_\_\_\_

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

Title: \_\_\_\_\_

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

## **EXHIBIT E-4**

### **Schedule 1 – Foreign Guarantor Requirement (Commonwealth Edison Company)**

An entity that is proposing to serve as a Guarantor under a Guaranty, but that has not been formed or organized under the laws of a state of the United States or the District of Columbia, must meet the following additional requirements in order to be recognized as an acceptable Guarantor:

1. Such entity must deliver a legal opinion (“*Opinion*”) of a law firm or a counsel, in either case who is not an employee of such entity or any of its affiliates or subsidiaries and who is authorized and qualified to practice law and render legal opinions in the foreign jurisdiction in which such entity is formed or organized. The Opinion shall meet the minimum content requirements specified below.
2. Such entity must deliver the sworn certificate of the corporate secretary (or similar or comparable officer) of such entity that the person executing the Guaranty on behalf of such entity has the authority to execute the Guaranty on behalf of such entity and that the governing board of such entity has approved the execution and delivery of the Guaranty.
3. Such entity must deliver the sworn certificate of the corporate secretary (or similar or comparable officer) of such entity that such entity has been authorized by its governing board to enter into agreements of the same type as the Guaranty.
4. Such entity must maintain an agent for acceptance of service of process in the United States. By executing and delivering the Guaranty, such entity agrees that service of any process in any claim or proceeding relating to the Guaranty may be made or served upon such entity by United States mail (postage prepaid).
5. The country in which such entity is domiciled must have a long-term sovereign (or equivalent) rating of AA+/Aa1 from at least two of the following rating agencies: S&P, Moody’s or Fitch. Each rating agency’s sovereign rating for the domicile country will be considered to be the lowest of: country ceiling, senior unsecured government debt, long-term foreign currency sovereign rating, long-term local currency sovereign rating, or other equivalent measure.
6. Such entity must pay for all expenses incurred by Party B related to reviewing and acceptance of the documents to be delivered with the Guaranty as provided in paragraphs 1 to 3 (inclusive) above; provided, however, that such payment shall not exceed \$10,000.

Once the Opinion has been provided and accepted as sufficient by Party B, in lieu of repeating the above process, the proposed Guarantor may re-certify its status in a subsequent procurement event if there have been no changes that would have altered that Opinion. To re-certify, the proposed Guarantor must provide a current letter by its Corporate Secretary (or equal / higher Corporate Officer) that it certifies that there have been no changes in its status which would adversely affect the enforceability of the Guaranty, since the time that the original Opinion was rendered.

Party B shall have sole and absolute discretion, without liability or recourse to the proposed Guarantor or Party A, to evaluate the sufficiency of the documents submitted by such proposed Guarantor pursuant to the requirements of this Schedule 2B. The following minimum requirements are to be met by the Opinion mentioned in paragraph 1 above:

- (a) The Opinion must be in English.
- (b) The Opinion should contain a recitation of the documents that have been reviewed by such counsel as a basis for the opinions expressed. Such recitations should include statements that (i) counsel has reviewed the organizational documents for the entity in question and has reviewed the legal requirements and agreement(s) in question (i.e., the REC Contract, the Master Renewable Energy Certificate Purchase and Sale Agreement, the Guaranty, the Rules and associated Appendices, Exhibits and Schedules), (ii) counsel has considered any necessary corporate, regulatory or governmental authorizations or approvals that may be required as a condition to the entity entering into and performing the Guaranty and (iii) counsel has reviewed evidence provided by the entity,

which evidence has been satisfactorily identified or certified to counsel, of such corporate, regulatory and governmental authorizations or approvals.

- (c) Based upon the review described in the preceding paragraph (b), the Opinion should reach the legal conclusions that: (i) under the law of the jurisdiction where the entity is organized, the necessary steps have been taken to cause the Guaranty, when executed and delivered on behalf of the entity, to become a valid and enforceable obligation of that entity, (ii) the Guaranty, when executed and delivered on behalf of the entity, will be, to the extent that the law of the entity's jurisdiction of organization is applicable to the enforcement of the entity's obligations thereunder, a valid and enforceable obligation of that entity, enforceable against it in accordance with its terms, subject to any enumerated customary exceptions under the law of such jurisdiction, and (iii) under law of the jurisdiction where the entity is organized, the choice of [Illinois][New York] law to govern the Guaranty is valid and enforceable against such entity.

In rendering its opinions within the Opinion, counsel may state that it is not rendering any opinion with respect to the laws of the state of [Illinois][New York], which govern the Guaranty.

The following text provides an illustration of how the requirements in paragraphs (a) through (c) (inclusive) above might be presented in an opinion of counsel:

[Description of transaction background/reason for delivering opinion]

We are familiar with the proceedings taken by [entity] in connection with the Guaranty and the transactions contemplated thereby. In connection with the opinions hereinafter expressed, we have reviewed originals, or copies of originals certified to our satisfaction, of (i) [describe the organizational or governing documents of the entity], (ii) a certificate of the [corporate secretary (or similar or comparable officer)] of [entity] that the person executing the Guaranty on behalf of [entity] has the authority to execute and deliver the Guaranty and that the governing board of [entity] has approved the execution and delivery of the Guaranty, (iii) a certificate of the [corporate secretary (or similar or comparable officer)] of [entity] that [entity] has been authorized by its governing board to enter into agreements of the same type as the Guaranty, (iv) the Guaranty, (v) the REC Contract, and (vi) [describe any other relevant documents]. We have considered the governmental or regulatory approvals that may be applicable to the execution, delivery and performance of the Guaranty by [entity]. We have also examined such questions of law and have satisfied ourselves as to such matters of fact as we have considered relevant and necessary as a basis for the opinions hereinafter expressed.

Based upon the foregoing, and subject to the assumptions, limitations and qualifications hereinafter stated, it is our opinion that:

1. Under the law of [jurisdiction of organization or formation], [entity] has taken all necessary action to cause the Guaranty, when executed and delivered on behalf of [entity], to become a valid and binding obligation of [entity]
2. The Guaranty, when executed and delivered on behalf of [entity], will be, to the extent that the law of [jurisdiction of organization or formation] is applicable to the enforcement of [entity's] obligations thereunder, the valid and binding obligation of [entity], enforceable against [entity] in accordance with its terms, except as such enforceability may be affected by [describe any exceptions].
3. The choice of the parties to the Guaranty to have the laws of the state of [Illinois][New York] govern the enforceability of the parties' obligations under the Guaranty is valid and enforceable against [entity] under the laws of [jurisdiction of organization or formation].

[Concluding paragraphs and signature]

## **EXHIBIT E-5**

### **Form of Guaranty (MidAmerican Energy Company)**

THIS GUARANTY (this “Guaranty”), dated as of \_\_\_\_\_, 20\_\_, is made by \_\_\_\_\_ (the “Guarantor”), a \_\_\_\_\_ organized and existing under the laws of \_\_\_\_\_, in favor of MidAmerican Energy Company (the “Beneficiary”), a corporation organized and existing under the laws of the State of Iowa.

Terms not defined herein shall have the meanings given to them in the [\_\_\_\_\_] dated \_\_\_\_\_, 20\_\_ (as amended, modified or extended from time to time, the “Agreement”), between the Beneficiary and \_\_\_\_\_, a \_\_\_\_\_ organized and existing under the laws of \_\_\_\_\_ (the “Counterparty”). This Guaranty is made by Guarantor in consideration for, and as an inducement for the Beneficiary to enter into, the Agreement with the Counterparty. Guarantor, subject to the terms and conditions hereof, hereby unconditionally, irrevocably and absolutely guarantees to the Beneficiary the full and prompt payment and performance when due, subject to any applicable grace period, of all payment obligations of the Counterparty to the Beneficiary arising out of the Agreement. Without limiting the generality of the foregoing, Guarantor further agrees as follows:

1. The Guarantor, as primary obligor and not merely as surety, hereby irrevocably, absolutely and unconditionally guarantees the full and prompt payment when due (whether by acceleration or otherwise) of any sums due and payable by the Counterparty under the Agreement (including, without limitation, indemnities, damages, fees and interest thereon, pursuant to the terms of the Agreement). Notwithstanding anything to the contrary herein, the maximum aggregate liability of the Guarantor under this Guaranty shall in no event exceed \_\_\_\_\_; provided, that Guarantor will be responsible for all reasonable legal fees, costs, and expenses incurred by the Beneficiary in enforcing the obligations or for the protection of Beneficiary’s rights under this Guaranty apart from such liability cap. All such principal, interest, obligations and liabilities, collectively, are the “Guaranteed Obligations.” This Guaranty is a guarantee of payment and not of collection.

2. The Guarantor hereby waives (a) notice of acceptance of this Guaranty, notice of the creation or existence of any of the Obligations and notice of any action by the Beneficiary in reliance hereon or in connection herewith; notice of the entry into any Contract or any waiver of consent under any Contract, including waivers of the payment and performance of the obligations thereunder; (b) presentment and demand concerning the liabilities of Counterparty or Guarantor; (c) notice of any dishonor or default by, or disputes with, Counterparty; (d) diligence; and (e) any right to require that Beneficiary bring any action or proceeding against Counterparty or any other person, or to require that Beneficiary seek enforcement of any performance against Counterparty or any other person, prior to any demand for payment or other action against Guarantor under the terms hereof. Guarantor agrees that Beneficiary may, at any time and from time to time, without notice to or consent of Guarantor and without impairing or releasing the liability and obligations of Guarantor hereunder: (i) take or fail to take any action of any kind in respect of any collateral for any Obligation or liability of Counterparty to Beneficiary; and (ii) compromise or subordinate any Obligation or liability of Counterparty to Beneficiary, including any collateral therefor.

3. The Beneficiary may, at any time and from time to time, without notice to or consent of the Guarantor, without incurring responsibility to the Guarantor and without impairing or releasing the obligations of the Guarantor hereunder, upon or without any terms or conditions: (a) take or refrain from taking any and all actions with respect to the Guaranteed Obligations, any document or any person (including the Counterparty) that the Beneficiary determines in its sole discretion to be necessary or appropriate; (b) take or refrain from taking any action of any kind in respect of any security for any Guaranteed Obligation(s) or liability of the Counterparty to the Beneficiary; or (c) compromise or subordinate any Guaranteed Obligation(s) or liability of the Counterparty to the Beneficiary including any security therefor.

4. Subject to the terms and conditions hereof, the obligations of the Guarantor under this Guaranty are absolute, irrevocable and unconditional and, without limiting the generality of the foregoing, shall not be released, discharged or otherwise affected by: (a) any extension, renewal, settlement, compromise, waiver, consent, discharge or release by the Counterparty concerning any provision of the Agreement in respect of any Guaranteed Obligations of the Counterparty; (b) the rendering of any judgment against the Counterparty or any action to enforce the same; (c) the existence, or extent of, any release, exchange, surrender, nonperfection or invalidity of any direct or indirect security for any of the Guaranteed Obligations; (d) any modification, amendment, waiver, extension of or supplement to any of the Agreement or the Guaranteed Obligations agreed to from time to time by the Counterparty and the Beneficiary; (e) any change in

the corporate existence (including its articles, bylaws, operating agreement, constitution, laws, rules, regulations or powers, as each is applicable), structure or ownership of the Counterparty or the Guarantor, or any insolvency, bankruptcy, reorganization or other similar proceedings affecting the Counterparty or its assets, the Guarantor or any other guarantor of any of the Guaranteed Obligations; (f) the existence of any claim, set-off or other rights which the Guarantor may have at any time against the Counterparty, the Beneficiary or any other entity or person, whether in connection herewith or in connection with any unrelated transaction; provided that nothing herein shall prevent the assertion of any such claim by separate suit or compulsory counterclaim; (g) the invalidity, irregularity or unenforceability in whole or in part of the Agreement or any Guaranteed Obligations or any instrument evidencing any Guaranteed Obligations or the absence of any action to enforce the same, or any provision of applicable law or regulation purporting to prohibit payment by the Counterparty of amounts to be paid by it under the Agreement or any of the Guaranteed Obligations; and (h) except for a failure to comply with any applicable statute of limitations, any other act or omission to act or delay of any kind of the Counterparty, any other guarantor, the Beneficiary or any other corporation, entity or person or any other event, occurrence or circumstance whatsoever which might, but for the provisions of this paragraph, constitute a legal or equitable discharge of the Guarantor's obligations hereunder.

5. The Guarantor hereby irrevocably waives (a) any right of reimbursement or contribution, and (b) any right of salvage against the Counterparty or any collateral security or guaranty or right of offset held by the Beneficiary therefor until all Guaranteed Obligations to the Beneficiary pursuant to the Agreement have been irrevocably paid in full.

6. The Guarantor will not exercise any rights which it may acquire by way of subrogation or any other right to payment until all Guaranteed Obligations to the Beneficiary pursuant to the Agreement have been irrevocably paid in full.

7. Subject to the terms and conditions hereof, this Guaranty is a continuing one and all liabilities to which it applies or may apply under the terms hereof shall be conclusively presumed to have been created in reliance hereon. Except for a failure to comply with any applicable statute of limitations, no failure or delay on the part of the Beneficiary in exercising any right, power or privilege hereunder, and no course of dealing between the Guarantor and the Beneficiary, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights, powers and remedies herein expressly provided are cumulative and not exclusive of any rights, powers or remedies, which the Beneficiary would otherwise have. No notice to or demand on the Guarantor in any case shall entitle the Guarantor to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the Beneficiary to any other or further action in any circumstances without notice or demand.

8. This Guaranty shall be binding upon the Guarantor and upon its successors and assigns and shall inure to the benefit of and be enforceable by the Beneficiary and its successors and assigns; provided, however, that the Guarantor may not assign or transfer any of its rights or obligations hereunder without the prior written consent of the Beneficiary. The assignment rights of the Beneficiary will be in accordance with any applicable terms of the Agreement.

9. Neither this Guaranty nor any provision hereof may be amended, modified, changed, waived, discharged or terminated except upon written agreement of the Beneficiary and the Guarantor.

10. The Guarantor's liability as guarantor shall continue and remain in full force and effect in the event that all or any part of any payment made hereunder or any obligation or liability guaranteed hereunder is recovered (as a fraudulent conveyance, preference or otherwise) rescinded or must otherwise be reinstated or returned due to bankruptcy or insolvency laws or otherwise. If claim is ever made upon the Beneficiary for repayment or recovery of any amount or amounts received from the Guarantor or the Counterparty in payment or on account of any of the Guaranteed Obligations and the Beneficiary repays all or part of such amount by reason of (a) any judgment, decree or order of any court or administrative body having jurisdiction over such payee or any of its property, or (b) any settlement or compromise of any such claim effected by such payee with any such claimant (including the Guarantor), then and in such event the Guarantor agrees that any such judgment, decree, order, settlement or compromise shall be binding upon it, notwithstanding any revocation hereof or the cancellation of the Agreement or other instrument evidencing any liability of the Guarantor, and the Guarantor shall be and remain liable to the Beneficiary hereunder for the amount so repaid or recovered to the same extent as if such amount had never originally been received by the Beneficiary.

11. Subject to Paragraph 10, this Guaranty shall remain in full force and effect until all Guaranteed Obligations have been fully and finally performed, at which point it will expire. The Guarantor may terminate this Guaranty upon thirty (30) days prior written notice to the Beneficiary which termination shall be effective only upon receipt by the

Beneficiary of alternative means of security or credit support, as specified in the Agreement and in a form reasonably acceptable to the Beneficiary. Upon the effectiveness of any such expiration or termination, the Guarantor shall have no further liability under this Guaranty, except with respect to the Guaranteed Obligations arising or created prior to the time the expiration or termination is effective, which Guaranteed Obligations shall remain guaranteed pursuant to the terms of this Guaranty until finally and fully paid and performed.

12. All notices and other communications hereunder shall be made at the addresses by hand delivery, by the next day delivery service effective upon receipt, or by certified mail return receipt requested (effective upon scheduled weekday delivery day) or electronic means (effective upon receipt of evidence that the electronic communication was received)

If to the Guarantor:

[To be completed]

If to the Beneficiary:

[To be completed]

13. The Guarantor represents and warrants that: (a) it is duly organized and validly existing under the laws of the jurisdiction in which it was organized and has the full power and authority to execute, deliver, and perform this Guaranty; (b) no authorization, approval, consent or order of, or registration or filing with, any court or other governmental body having jurisdiction over the Guarantor is required on the part of the Guarantor for the execution, delivery and performance of this Guaranty except for those already made or obtained; (c) this Guaranty constitutes a valid and legally binding agreement of the Guarantor, and is enforceable against the Guarantor in accordance with its terms; and (d) the execution, delivery and performance of this Guaranty by the Guarantor have been and remain duly authorized by all necessary corporate or comparable action and do not contravene any provision of its constituent documents or any law, regulation or contractual restriction binding on it or its assets.

14. This Guaranty and the rights and obligations of the Counterparty and the Guarantor hereunder shall be construed in accordance with and governed by the laws of the State of New York without regard to principles of conflict of laws. The Guarantor and the Beneficiary agree and irrevocably submit to the exclusive jurisdiction of state and federal courts located in the Northern District of the State of Illinois over any disputes arising or relating to this Guaranty and waive and agree not to assert as a defense any objections to venue or inconvenient forum. The Guarantor and the Beneficiary consent to and grant any such court jurisdiction over the person of such party and over the subject matter of such dispute and agree that summons or other legal process in connection with any such action or proceeding shall be deemed properly and effectively served when sent by certified U.S. mail, return receipt requested, to the address of the other party set forth in Paragraph 12 hereof, or in such other manner as may be permitted by law. **TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE GUARANTOR AND THE BENEFICIARY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS GUARANTY. EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED.**

15. This writing is the complete and exclusive statement of the terms of this Guaranty and supersedes all prior oral or written representations, understandings, and agreements between the Beneficiary and the Guarantor with respect to subject matter hereof. The Beneficiary and the Guarantor agree that there are no conditions to the full effectiveness of this Guaranty.

16. Every provision of this Guaranty is intended to be severable. If any term or provision hereof is declared to be illegal or invalid for any reason whatsoever by a court of competent jurisdiction, such illegality or invalidity shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable.

17. If the Guarantor is a trust: no trustee of the Guarantor shall be held to any liability whatsoever for any obligation under this Guaranty, and this Guaranty shall not be enforceable against any such trustee in their or its, his or her individual capacities or capacity; and this Guaranty shall be enforceable against the trustees of the Guarantor only as such, and every person, firm, association, trust or corporation having any claim or demand arising under this Guaranty and relating to the Guarantor or any trustee of the Guarantor shall look solely to the trust estate of the Guarantor for the payment or

February 23, 2022 [DRAFT]

[Commenter 4] mark-up

satisfaction thereof.

IN WITNESS WHEREOF, the Guarantor has caused this Guaranty to be executed and delivered as of the date first written above to be effective as of the earliest effective date of any of the Agreement.

[GUARANTOR]

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

Title:



Notes:

- The Maximum Contract Quantity means a quantity of RECs specified in the Product Order.
- The Delivery Year Allocation Factor shall be equal to the result obtained by dividing the Delivery Year Degradation Factor for each Delivery Year by 19.05 with respect to a Utility-Scale Solar Project or a Brownfield Project and shall be equal to 1 with respect to a Utility-Scale Wind Project.
- The Delivery Year Requirement, with respect to a Project where the Date of First Operation has occurred, the quantity of RECs for a given Delivery Year equal to the multiplicative product of the (a) Delivery Year Allocation Factor and (b) Maximum Contract Quantity, which shall be pro-rated for the number of days in the Delivery Year within the Acceptable Vintage Period.
- The first Delivery Year shall be commencing on the first day of the Earliest Vintage Month. For example, if the Earliest Vintage Month is June 2023, then the first Delivery Year shall be for the period starting June 1, 2023 through May 31, 2024. If the Earliest Vintage Month is August 2024, then the first Delivery Year shall be for the period starting August 1, 2024 through May 31, 2024.
- For purposes of determining the Delivery Year Degradation Factor, if the first Delivery Year is not a full Delivery Year such that the Earliest Vintage Month is not June, then the Delivery Year Degradation Factor for such partial Delivery Year shall be 1, and the Delivery Year Degradation for the first full Delivery Year shall also be 1; and if the last Delivery Year is not Delivery Year 20 because the Acceptable Vintage Period has been extended beyond Delivery Year 20, then the Delivery Year Degradation Factor of each Delivery Year after Delivery Year 20 shall be 0.005 less than the prior year's Delivery Year Degradation Factor.