

PECO Energy Company Solar RFP
Select Procurement Elements

<p align="center">Description</p>	<p>With its Request for Proposals (“RFP”), PECO Energy Company (“PECO” or “Company”) is soliciting Proposals for long-term renewable energy, capacity, and associated solar photovoltaic alternative energy credits (“SPAECs”) from new Tier I solar Alternative Energy Systems under Pennsylvania’s Alternative Energy Portfolio Standards Act, 73 P.S. §§ 1648.1 et seq. (“AEPS” or “AEPS Act”) (each, a “Project”).</p>
<p align="center">Procurement Target</p>	<p>PECO seeks to enter into PPAs for up to 25 MW (DC):</p> <ul style="list-style-type: none"> • Minimum size of each Project: 5 MW (DC). • The Company will accept Proposals for a Share (%) of larger Projects. • PECO may enter into more than one PPA with multiple counterparties.
<p align="center">Project Requirements</p>	<p>Project Location:</p> <ul style="list-style-type: none"> • Projects must be located within the Commonwealth of Pennsylvania. It is not a requirement for Projects to be located in PECO’s service territory. • Projects must be interconnected with PJM and be able to sell energy and capacity into PJM markets. <p>All Projects must be new.</p> <ul style="list-style-type: none"> • A Project will be considered “new” if it has not commenced the delivery of electricity to any entity and its construction has not been completed as of the Proposal due date (as specified in Section III.5 of the RFP). • It is possible for an addition of capacity (MW) co-located with an existing solar project to qualify. In this case, the addition of capacity (MW) would be the “Project” presented in the Proposal and must meet all qualification requirements for a Project under the RFP. <p>Guaranteed Initial Delivery Date:</p> <ul style="list-style-type: none"> • Projects that are in early stages of development are eligible to participate. • The Guaranteed Initial Delivery Date must be no later than May 31, 2029. <p>Project Development Plan:</p> <ul style="list-style-type: none"> • As part of the Proposal, Bidders are required to provide a Project Development Plan as outlined in Section 2 of the Proposal Form. The required information and documentation for a particular Project depend on the status of the Project within PJM’s interconnection process. Projects that have not yet entered PJM’s interconnection process are eligible to participate. <p>Bid Assurance Collateral:</p> <ul style="list-style-type: none"> • Bidders must post bid assurance collateral of \$20,000/MW in the form of cash or a pre-bid letter of credit with the Proposal. • Bid assurance collateral for Bidders that have winning Proposal(s) will be returned shortly after all contract execution formalities have been completed. Bid assurance collateral for Bidders that do not have winning Proposal(s) will be returned shortly after the Commission has issued a decision on the results of the RFP.

	<ul style="list-style-type: none"> If a portion of a larger Project, is proposed, the portion of the Project (the “Share” expressed as a percentage) should be multiplied by \$20,000/MW to determine the required amount of bid assurance collateral. <p>Required certifications:</p> <ul style="list-style-type: none"> Bidders must make the certifications and representations provided in the Pre-Qualification Form and Proposal Form. This includes accepting the terms of the Power Purchase Agreement.
Bid Price	<ul style="list-style-type: none"> A Bid is a single price in \$/MWh that will be applicable for each year of the 10-year contract term. This single price is a combined price for each MWh of energy, capacity, and the associated AEPS-compliant SPAECs for the Share (%) of the Project.
Proposal Evaluation	<ul style="list-style-type: none"> Selection of the winning Proposal will consider Bid price as well as other factors such as: <ul style="list-style-type: none"> Development status of the Project Whether Project can come online earlier than 2028/29 planning year Whether Project is in PECO territory Other Proposal-specific benefits, such as supplier diversity and use of local workforce

Select PPA Terms

PPA Term	<ul style="list-style-type: none"> Ten (10) years.
Guaranteed Initial Delivery Date	<ul style="list-style-type: none"> Must be no later than May 31, 2029. Cannot change after the deadline for the Proposal Form.
Delivery Point	<ul style="list-style-type: none"> PECO_RESID_AGG Zone.
Scheduling and Delivery of Products (Sections 5.1-5.3)	<p>Delivery of Energy:</p> <ul style="list-style-type: none"> Seller is solely responsible for arranging, scheduling with PJM and other Transmitting Utilities, and delivering Energy from the Facility to be delivered to the Delivery Point. Seller is responsible for any and all costs and charges incurred and any losses between Interconnection Point and Delivery Point, and the cost of firm transmission rights. <p>Delivery of SPAECs:</p> <ul style="list-style-type: none"> Seller is required to take all actions to register, certify, and transfer SPAECs from Seller to Buyer in accordance with GATS and applicable Law, and bear all costs associated therewith, including program and registration fees. Seller must comply with the AEPS Act in connection with Seller’s transfer of SPAECs to Buyer. <p>Transfer of Auction Specific Unforced Capacity:</p>

	<ul style="list-style-type: none"> • Seller is required to initiate Auction Specific MW Transactions (as such term is defined in the PJM Agreements) in Capacity Exchange following completion of the RPM Auction to which the transaction applies.
<p align="center">Performance Assurance (Article 10 and Exhibit G)</p>	<ul style="list-style-type: none"> • Performance Assurance may be required. The amount will be based on 20% of the Total Notional Value of the Agreement and is subject to a minimum. • If the Seller is rated at or above Investment Grade, as defined in the PPA, Seller has no requirement to provide Performance Assurance. If Seller relies on a Guarantor that is rated at or above Investment Grade, then Seller’s Guarantor may post a Guaranty in which case Seller has no requirement to provide additional Performance Assurance. • Acceptable methods for posting Performance Assurance, if required, include cash, letter of credit, or guaranty. Exhibit E to the PPA provides the Form of Guaranty Agreement. A sample letter of credit is provided as Exhibit F to the PPA.
<p align="center">Availability Requirement (Exhibit C)</p>	<ul style="list-style-type: none"> • Seller shall maintain an Availability Percentage greater than or equal to 90% for each two-year period under the PPA. • Information to calculate the Availability Percentage and Availability Damages is provided in Exhibit C of the PPA.

* This term sheet is prepared to give a brief overview of the RFP and PPA solely for the convenience of Bidders. Should there be any conflict between this term sheet and the PPA, the terms and conditions of the PPA shall govern. Should there be any conflict between this term sheet and the RFP, the terms and conditions of the RFP shall govern.