

## ADDENDUM to the RFP Rules

### I.1. Auction Schedule

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

**Table 1. Schedule**

<b>Event</b>	<b>Timing</b>
Deadline to request consideration of an alternate form of guaranty	Thursday, January 14, 2021
Bidder Information Webcast	Tuesday, January 19, 2021
Online Part 1 Form is Available	Monday, February 1, 2021
Decision on alternate guaranty forms (if any)	Tuesday, February 2, 2021
Part 1 Window Opens	Thursday, February 4, 2021
Part 1 Date (Part 1 Window Closes)	Friday, February 12, 2021
Part 1 Notification Date	Wednesday, February 17, 2021
Approved modifications to Standard Guaranty posted	Thursday, February 18, 2021
Part 2 Proposal Window Opens	Thursday, February 18, 2021
Bid Submission training	Wednesday, February 24, 2021
Part 2 Date (Part 2 Window Closes)	Thursday, February 25, 2021
Part 2 Notification Date	Monday, March 1, 2021
Bid Date (Bids are Due)	Tuesday, March 2, 2021
IE provides its report to the PaPUC	Wednesday, March 3, 2021
PaPUC Decision (close of business)	Thursday, March 4, 2021
<i>If Bids are approved by the PaPUC:</i>	
PECO sends partially executed Uniform SMA and Transaction Confirmation(s) (by 12PM on the fourth business day after the Bid Date)	Monday, March 8, 2021
Uniform SMA and Transaction Confirmation(s) fully executed (by 2PM on the fifth business day after the Bid Date)	Tuesday, March 9, 2021
Default Service Supplier meets the creditworthiness requirements (by close of the fifth business day after the Bid Date)	Tuesday, March 9, 2021

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

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

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

DSP V				Updated for March 2021 Solicitation		
Class	Total Tranches	Load Cap	% Size of a Tranche	Total Peak (MW)	Default Peak (MW)	MW-Measure of a Tranche
RES	62	31	1.60%	4,006.15	2,878.78	46.06
SC	24	12	4.17%	997.50	450.07	18.75
CCI	8	4	12.50%	2,881.63	184.99	23.12

The products and number of tranches available in this solicitation are provided in Table 3. A product for purposes of this RFP is defined by three characteristics: a) the Class to which it contributes Default Supply; b) the length of the supply period; and c) the date at which the supply period begins. For example, the RES-12-Jun21 product represents Default Supply for the RES Class for the supply period from June 1, 2021 through May 31, 2022.

**Table 3. Products and Number of Tranches Available.**

Product	Tranches Available
RES-12-Jun21	12
RES-24-Jun21	11
SC-12-Jun21	6
SC-24-Jun21	3
CCI-12-Jun21	8

### **I.3. Load Caps for Products Available**

Each Class has “Load Caps”, which are limits on the number of tranches of Default Supply that an RFP Bidder can bid and serve for that Class. The Load Caps ensure that there will be a diversified pool of Default Suppliers for each Class. The Load Caps for a Class are set so that the Default Service customers of that Class have no

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more than a 50% exposure to any one Default Supplier at any given time. The Load Caps in this solicitation are provided here:

**Table 4. Available Tranches and Load Caps (March 2021 Solicitation; RES Class).**

Products	Available Tranches	Load Caps Apply to an RFP Bidder When an RFP Bidder Has:	Load Caps for RES Class
RES-12-Jun21	12	Won more than 19 RES-24-Dec19, RES-24-Jun20, RES-12-Dec20, and RES-24-Dec20 tranches under DSP IV	31 less RES-24-Dec19, RES-24-Jun20, RES-12-Dec20, and RES-24-Dec20 tranches won under DSP IV
RES-24-Jun21	11	Won more than 20 RES-24-Dec19, RES-24-Jun20, RES-12-Dec20, and RES-24-Dec20 tranches under DSP IV	

**Table 5. Available Tranches and Load Caps (March 2021 Solicitation; SC and CCI Classes).**

Products	Available Tranches	Load Caps Apply to an RFP Bidder When an RFP Bidder Has:	Load Caps
SC-12-Jun21	6	Won more than 6 tranches of SC-24-Dec19, SC-24-Jun20, SC-12-Dec20, and SC-24-Dec20 under DSP IV	12 less SC-24-Dec19, SC-24-Jun20, SC-12-Dec20, and SC-24-Dec20 tranches won under DSP IV
SC-24-Jun21	3	Won more than 9 tranches of SC-24-Dec19, SC-24-Jun20, SC-12-Dec20, and SC-24-Dec20 under DSP IV	
CCI-12-Jun21	8	Load Caps apply always	4

- The Load Cap for the RES Class will apply as follows. An RFP Bidder is limited to 31 tranches of the RES-24-Dec19, RES-24-Jun20, RES-12-Dec20, RES-24-Dec20, RES-12-Jun21, and RES-24-Jun21, including tranches of RES-24-Dec19, RES-24-Jun20, RES-12-Dec20, and RES-24-Dec20 products won under DSP IV and tranches bid for RES-12-Jun21 and RES-24-Jun21 in this solicitation.

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- The Load Cap for the SC Class will apply as follows. An RFP Bidder is limited to 12 tranches of the SC-24-Dec19, SC-24-Jun20, SC-12-Dec20, SC-24-Dec20, SC-12-Jun21, and SC-24-Jun21 products combined, including tranches of SC-24-Dec19, SC-24-Jun20, SC-12-Dec20, and SC-24-Dec20 won under DSP IV and tranches bid for SC-12-Jun21 and SC-24-Jun21 in this solicitation.
- The Load Cap for the CCI Class will apply as follows. In this solicitation, an RFP Bidder is limited to 4 tranches for the CCI-12-Jun21 product.

### **I.4. Modifications to the Processing of Proposals**

Section I.4 contains non-material modifications to the processing of Proposals that would be expected to improve potential participation by suppliers that are unable to work from their usual place of business due to emergency measures enacted in the wake of COVID-19.

#### **I.4.1. Digital Signatures**

RFP Bidders have an additional option to use digital signatures for completing the Inserts to the Part 1 Form and Part 2 Form that require a signature. For purposes of completing an applicable Insert, a “digital” signature is one that is created using commercially available software (such as DocuSign, Adobe Acrobat, or Adobe Sign), which generates an additional document or information that can be used by the Independent Evaluator to verify the identity of the signatory. A digital signature is different from an “electronic” signature, which is computer-generated but is not created using a software that generates additional documentation or information that can be used to verify the identity of the signatory. An example of an electronic signature is an image of a signature.

Each Insert posted to the RFP website contains instructions describing the acceptable methods of completion and submission for that specific Insert. General instructions are provided in this section. Each Insert falls into one of two categories.

1. Inserts such as the P1-6 P1 Certifications (A) Insert can be completed as follows:

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- a. Submitted with a digital signature with an accompanying document or information verifying the identity of the signatory; or
- b. Signed with the signature notarized.

Each such Insert can be uploaded to the online form or sent by email to the Independent Evaluator at [pecoprocurement@nera.com](mailto:pecoprocurement@nera.com).

2. Inserts such as the P1-1 Representative Insert can be completed as follows:
  - a. Submitted with a digital signature with an accompanying document or information verifying the identity of the signatory (if digitally signed, the Insert may be uploaded to the online form, or sent by email to the Independent Evaluator at [pecoprocurement@nera.com](mailto:pecoprocurement@nera.com)); or
  - b. Submitted with a scanned wet signature or submitted with an electronic signature (if not digitally signed the Insert must be sent by email to the Independent Evaluator at [pecoprocurement@nera.com](mailto:pecoprocurement@nera.com) by the signatory or with the signatory on copy).

### **I.4.2. Contract Execution Process**

The contract execution procedures provided in paragraphs VII.3.10 – VII.3.15 of the RFP Rules state that hard copy versions of the contract documents will be exchanged and does not provide specific requirements regarding acceptable signatures for these documents. The procedures are amended by the following:

1. PECO will partially execute the Uniform SMA and Transaction Confirmation(s) using a digital signature. One copy of each of the applicable contract documents (Uniform SMA, Transaction Confirmation(s), and guaranty (if applicable)) will be sent to Default Suppliers by email only by 12PM on the second business day following the Commission approval of some of all of the winning Bids. No hard copy versions will be provided by overnight delivery service. PECO also informs each Default Supplier of its specific creditworthiness requirements by email.
2. Default Suppliers, and any RFP Guarantor as applicable, will be required to use a digital signature to execute the applicable contract documents. The digitally signed contract documents must be accompanied by an additional document or information that verifies the identity of the signatory, and

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returned to PECO by email to [PECOWB&C@peco-energy.com](mailto:PECOWB&C@peco-energy.com) by 2PM on the third business day following Commission approval of some or all of the winning Bids. No hard copy versions should be mailed.

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

### **I.4.3. Submitting the Pre-Bid Letter of Credit as an Electronic PDF file**

#### **Pre-Bid Letter of Credit**

The requirements for the Pre-Bid Letter of Credit provided in Section V.2 of the RFP Rules state that RFP Bidders should have their banks deliver a hard copy executed Pre-Bid Letter of Credit to the office of the Independent Evaluator. These requirements are entirely superseded by the following:

- The Pre-Bid Letter of Credit must be submitted as an electronic PDF file via electronic means to the Independent Evaluator at [pecoprocurement@nera.com](mailto:pecoprocurement@nera.com).
- In Section 2 of the Part 2 Form, RFP Bidders may provide special instructions for the return of the Pre-Bid Letter of Credit. The Independent Evaluator will work with the RFP Bidder to accommodate such special instructions as long as it is practicable given emergency measures currently in place.

A Pre-Bid Letter of Credit sent in hard copy cannot be accepted. The Standard Pre-Bid Letter of Credit provided in Appendix 9 of the RFP Rules has been amended to accommodate submission by electronic means.

#### **Comment Process on the Letters of Credit**

RFP Bidders have an opportunity to propose modifications to the Standard Pre-Bid Letter of Credit and Standard Post-Bid Letter of Credit. The process for requesting modifications to the Standard Pre-Bid Letter of Credit and Standard Post-Bid Letter of Credit is provided in paragraphs IV.3.1 and IV.3.2 of the RFP Rules. This process is being amended to provide additional time for RFP Bidders and their financial institutions to submit

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proposed modifications in view of the amended form of the Standard Pre-Bid Letter of Credit. RFP Bidders may submit requests from the date of publication of this Addendum through the Part 1 Date.

### **I.4.4. Bid Submission Procedures**

The requirements pertaining bid submission, processing, and evaluation are described in Article VI and Section VII.2. of the RFP Rules. The requirements are amended as follows to provide more time for evaluation of the Bid Form by the Independent Evaluator and greater flexibility in resubmission of the Bid Form by RFP Bidders:

- The Independent Evaluator acknowledges receipt of the Bid Form within thirty (30) minutes by phone. RFP Bidders may email the Independent Evaluator at [pecoprocurement@nera.com](mailto:pecoprocurement@nera.com) to ask for confirmation of receipt of the Bid Form.
- In the case where the Independent Evaluator provides the evaluation of a Bid Form with at least ten minutes left in the Bid Window for that Bid Form, the requirements are unchanged. If the Bid Form is incomplete or inconsistent with the RFP Rules, or if the Pre-Bid Letter of Credit is insufficient to support the number of tranches bid by the RFP Bidder, then the RFP Bidder may correct and resubmit that Bid Form as long as it is received between 10 AM and 12 PM (noon) on the Bid Date.
- In the case where the Independent Evaluator provides the evaluation of a Bid Form with less than ten minutes left in the Bid Window, or after the Bid Window has closed, the following will apply. If the Bid Form is incomplete or inconsistent with the RFP Rules, or if the Pre-Bid Letter of Credit is insufficient to support the number of tranches bid by the RFP Bidder, the RFP Bidder will have ten minutes to resubmit the Bid Form strictly for the purpose of addressing the deficiencies identified by the Independent Evaluator. Only one such resubmission will be considered. The Independent Evaluator will reject a resubmitted Bid Form that modifies Bids that were consistent with the RFP Rules as originally submitted.

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As stated in the RFP Rules, RFP Bidders will receive the Part 1 Materials with the Part 1 Notification, including instructions for completion of the Bid Form, for the optional encryption of the Bid Form, for electronic transfer of the completed Bid Form to the Independent Evaluator, for an alternate submission method for Bids in case of technical difficulties with the electronic transfer, as well as information used for authenticating the Bids. The Independent Evaluator will hold a training session for RFP Bidders to practice the Bid submission process.