

**DRAFT STANDARD PART 1 FORM  
DEFAULT SERVICE PROGRAM  
REQUEST FOR PROPOSALS  
FOR BLOCK ENERGY SUPPLY  
PART 1 DATE: SEPTEMBER 1, 2009**

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PECO Energy Company (“Company” or “PECO”) is intending to obtain blocks of energy to meet a portion of its obligations as Default Service Provider through this Request for Proposals (“RFP”). PECO is also intending to purchase full requirements products through a second RFP. Whenever necessary to avoid confusion, these two RFPs will be referred to as the “Full Requirements RFP” and the “Block Energy RFP” respectively.

This Standard Part 1 Form is the only form that may be used to submit a Part 1 Proposal in the Block Energy RFP if you have not submitted a successful Part 1 Proposal in a previous solicitation under the Block Energy RFP. The Final Standard Part 1 Form will be issued on July 29, 2009 after the Guaranty Process has been held. The form that may be used to present a Part 1 Proposal for the Full Requirements RFP is a different and separate document entitled “Full Requirements Part 1 Form”. In the present document, “Part 1 Form” designates the “Block Energy Part 1 Form” unless specifically stated otherwise.

Before completing this Part 1 Form, please review the Block Energy RFP, including the Block Energy Supply Master Agreement, so that you understand the conditions under which the RFP will be conducted. These documents are posted at [www.pecoprocurement.com](http://www.pecoprocurement.com).

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

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*Any information provided by an RFP Bidder in this Part 1 Proposal is provided on a confidential basis to the Independent Evaluator, and may be provided on a confidential basis to the Staff of the Pennsylvania Public Utility Commission. PECO representatives will review the information provided to fulfill the requirements of Section 2, Section 3, Section 6 and Section 7, and will participate in the evaluation of the creditworthiness of each RFP Bidder.*

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## **INSTRUCTIONS FOR PROPOSAL**

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RFP Bidders that have not submitted a successful Part 1 Proposal in a previous solicitation under this RFP submit this Part 1 Form and all documents required herein to respond to the qualification standards for the RFP. An RFP Bidder that is qualified after complying with all qualification requirements of the Part 1 Proposal may submit a Part 2 Proposal.

This Part 1 Form must be used by such RFP Bidders to submit a Part 1 Proposal in the RFP.

### **Please complete all sections.**

#### **I. Part 1 Proposal Submission**

An RFP Bidder must:

- Submit **three (3) original** completed Part 1 Forms (with original signatures);
- Submit **one (1) copy** (one hard copy or one electronic copy) of documents required to support the Part 1 Form as specified in Section 2, Section 3, and Section 6;

and

- Manually insert the name of the RFP Bidder **on every page** of the Part 1 Form.

*The completed Part 1 Proposal MUST be received by the Independent Evaluator no later than 12:00 PM (noon) EPT<sup>1</sup> on September 1, 2009 (the Part 1 Date) at:*

NERA - Independent Evaluator  
PECO RFPs  
1835 Market Street, Suite 1205  
Philadelphia, PA 19103

Inquiries may be directed to the Independent Evaluator by:

- telephone (215) 568-0200
- fax (215) 568-9358
- through the “Ask a Question” page on the RFP Web site at [www.pecoprocurement.com](http://www.pecoprocurement.com)

**Photocopies and facsimiles of completed forms will not be accepted under any circumstances.**

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<sup>1</sup> All times are Eastern Prevailing Times (“EPT”).

## **II. Part 1 Proposal Submission**

### Confirmation

If your Part 1 Proposal is received by post, a confirmation consisting of a photocopy of the first page of your Part 1 Form stamped with the time and the date that it was received will be faxed to you. This confirmation of receipt will be faxed after an initial review, either with a confirmation that your proposal is complete, or with a deficiency notice (see below). If your Part 1 Proposal is hand-delivered, a confirmation consisting of a photocopy of the first page of your Part 1 Form stamped with the time and the date that it was received will be provided to the deliverer.

### Timing of Part 1 Proposal Review

The Part 1 Proposal Window opens at 8:00 AM on August 25, 2009 and closes at 12:00 PM (noon) on September 1, 2009. The Independent Evaluator performs an initial review of all Part 1 Proposals during the Part 1 Proposal Window. Part 1 Proposals received prior to the Part 1 Proposal Window are processed on August 25, 2009. Part 1 Proposals received during the Part 1 Proposal Window are processed on the day they are received. Proposals received after the Part 1 Proposal Window are late proposals and are not processed.

### Incomplete Part 1 Proposals

If your Part 1 Proposal is incomplete or requires clarification, the Independent Evaluator will send a deficiency notice to you by fax. You will have until noon on the Part 1 Date, or until 6:00 PM on the business day following the business day during which a deficiency notice is faxed to you, whichever comes later, to respond. If you do not correct or adequately explain the deficiency within the time allowed, your Part 1 Proposal may be rejected and you may be unable to participate in the RFP. One copy of your Part 1 Form will be returned to you.

### Late Part 1 Proposals

No late Part 1 Proposals will be accepted under any circumstances.

### Part 1 Notification

An RFP Bidder who submits a Part 1 Proposal during the Part 1 Proposal Window and who is qualified pursuant to its Part 1 Proposal may submit a Part 2 Proposal for the RFP. Each RFP Bidder that submits a Part 1 Proposal will be notified by fax whether it has qualified to submit a Part 2 Proposal for the RFP no later than 6 PM on September 4, 2009 (Part 1 Notification Date).

\_\_\_\_\_  
*Name of RFP Bidder*

### RFP Bidders Under Agency Agreements

An RFP Bidder submitting a Proposal under an Agency Agreement is required to provide additional information in Section 6 of this Part 1 Form.

### Foreign RFP Bidders and Foreign Entities

An RFP Bidder that has not been incorporated or otherwise formed under the laws of a state of the United States or of the District of Columbia (“Foreign RFP Bidder”), or an RFP Bidder that is relying on the financial standing of an entity (an RFP Guarantor or a Principal) that has not been incorporated or otherwise formed under the laws of a state of the United States or of the District of Columbia (a “Foreign Entity”) is required to provide additional information in Section 7 of this Part 1 Form.

\_\_\_\_\_  
*Name of RFP Bidder*

## **PART 1 FORM**

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### **1. Contact Information and Representations**

**COMPLETE ALL INFORMATION IN THIS SECTION 1 OF THIS PART 1 FORM.**

*Please note that fields will expand to accommodate text.*

#### Name and Address of the RFP Bidder

*Legal Name of RFP Bidder*

*Street Address*

*City*

*State*

*Zip Code*

#### Officer of the RFP Bidder

The contact information in this section is the contact information for an individual who is an officer, a director, or an individual otherwise authorized to undertake contracts (including the Block Energy Supply Master Agreement) and bind the RFP Bidder. **The Officer of the RFP Bidder named below must:**

- make all representations required in the Part 1 Proposal;
- sign the Block Energy Supply Master Agreement should the RFP Bidder submit a Part 2 Proposal;
- sign the Transaction Confirmation(s) should the RFP Bidder have any Bids approved by the Commission.

*Last Name*

*Given Name(s)*

*Mr/Mrs/Ms/Dr/(other)*

*Title*

*Company*

\_\_\_\_\_  
*Name of RFP Bidder*

*Street Address*

*City*

*State*

*Zip Code*

*Telephone No.*

*Fax No.*

*Email Address*

**Representative of the RFP Bidder**

The Officer of the RFP Bidder must name a Representative of the RFP Bidder. The Officer of the RFP Bidder may name himself or herself as the Representative. The Representative is the point of contact if the Independent Evaluator has questions on the documentation provided by the RFP Bidder in response to this RFP or requires additional information. The Independent Evaluator sends all correspondence related to the solicitation to the Representative, including confidential information required to submit Bids on the Bid Date. The Independent Evaluator, for the purposes of this RFP, will communicate exclusively with the Representative or the Officer. Below, the Representative is designated by the Officer of the RFP Bidder.

\_\_\_\_ (the Officer of the RFP Bidder named above) hereby designates \_\_\_\_, whose contact information is immediately below, to serve as the Representative of the RFP Bidder.

\_\_\_\_\_  
Signature of Officer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

*Last Name*

*Given Name(s)*

*Mr/Mrs/Ms/Dr/(other)*

*Title*

*Company*

*Street Address*

\_\_\_\_\_  
*Name of RFP Bidder*

<i>City</i>	<i>State</i>	<i>Zip Code</i>
<input type="text"/>	<input type="text"/>	<input type="text"/>

<i>Telephone No.</i>	<i>Alternate Telephone No. (If Available)</i>	<i>Email Address</i>
<input type="text"/>	<input type="text"/>	<input type="text"/>

**COMMUNICATIONS WITH THE REPRESENTATIVE WILL TYPICALLY BE DONE VIA FAX AND BY OVERNIGHT DELIVERY SERVICE. PLEASE PROVIDE A FAX NUMBER AT WHICH THE REPRESENTATIVE WILL BE ABLE TO RECEIVE FAXES FROM THE INDEPENDENT EVALUATOR IN A SECURE AND TIMELY MANNER.**

*Fax No.*

**ANY NOTIFICATION OR OTHER COMMUNICATION GIVEN BY THE INDEPENDENT EVALUATOR TO THE RFP BIDDER WILL BE DELIVERED BY OVERNIGHT DELIVERY SERVICE TO THE ADDRESS PROVIDED ABOVE FOR THE REPRESENTATIVE OR SENT BY FAX TO THE FAX NUMBER PROVIDED ABOVE FOR THE REPRESENTATIVE. ANY SUCH NOTIFICATION OR COMMUNICATION WILL BE DEEMED RECEIVED BY THE RFP BIDDER AT THE TIME OF DELIVERY OR TRANSMISSION, PROVIDED THAT WHERE DELIVERY OR TRANSMISSION OCCURS AFTER 6 PM ON A BUSINESS DAY OR OCCURS ON A DAY THAT IS NOT A BUSINESS DAY, RECEIPT WILL BE DEEMED TO OCCUR AT 9 AM ON THE FOLLOWING BUSINESS DAY.**

\_\_\_\_\_  
*Name of RFP Bidder*

Representations of the Officer of the RFP Bidder

**THESE CERTIFICATIONS MUST BE SIGNED BY THE OFFICER OF THE RFP BIDDER AND THE SIGNATURE MUST BE NOTARIZED OR ATTESTED WITH THE CORPORATE SEAL.**

I certify that:

- (1) I am an officer, a director, or an individual otherwise authorized to undertake contracts (including the Block Energy Supply Master Agreement) and bind the RFP Bidder.
- (2) This Part 1 Proposal will remain valid and remain in full force and effect until six (6) business days after the Bid Date.
- (3) To the best of my knowledge and belief, all information provided in this Part 1 Proposal is true and accurate.
- (4) If, for any reason or due to any circumstance, any information provided in this Part 1 Proposal changes or any previous certification fails to remain valid before the sixth business day after the Bid Date, I or the Representative will notify the Independent Evaluator of such changes as soon as practicable.

\_\_\_\_\_  
Signature of Officer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature and Seal from Notary Public

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of RFP Bidder

## 2. Financial Requirements

**COMPLETE ALL INFORMATION REQUESTED IN THIS SECTION 2 OF THIS PART 1 FORM.**

*Please note that fields will expand to accommodate text.*

### Name of Entity on Whose Financial Standing the RFP Bidder Relies

For purposes of a creditworthiness evaluation, the RFP Bidder must clearly select by checking one of the two boxes below whether the RFP Bidder is: (a) relying on its own financial standing; or (b) relying on the financial standing of another entity. The other entity on whose financial standing the RFP Bidder is relying must be named below and is either an RFP Guarantor, or a Principal if the RFP Bidder is submitting a Proposal under an Agency Agreement.

(a) the RFP Bidder is relying on its own financial standing

(b) the RFP Bidder is relying on the financial standing of **[name of the entity]**, which is either (check one):  an RFP Guarantor or:  a Principal

The financial and credit information provided in this section must pertain to the entity named above (either the RFP Bidder, an RFP Guarantor or a Principal). All RFP Bidders submitting a Proposal under an Agency Agreement must select option (b) above. If the RFP Bidder is acting as an agent for multiple Principals, the RFP Bidder must identify the Principal with the lowest credit rating as the entity on whose financial standing the RFP Bidder relies.

### Financial Information

**THE FINANCIAL INFORMATION REQUESTED IN THIS SECTION MAY BE PROVIDED EITHER IN HARD COPY, OR ELECTRONICALLY ON A CD. IF PROVIDING HARD COPIES OF FINANCIAL STATEMENTS, ONE COPY IS SUFFICIENT.**

The required financial information is the most recent most recent quarterly financial information, including a balance sheet, income statement, cash flow statement, and any accompanying notes and schedules. If available, the most recent Securities and Exchange Commission (“SEC”) Form 10-Q must be submitted to fulfill this requirement.

If the SEC Form 10-Q is unavailable, the RFP Bidder must submit the entity’s most recent quarterly, monthly, or bi-annual financial information accompanied by an attestation by the entity’s Chief Financial Officer (or equivalent position) that the information contained in the financial statements fairly presents in all material respects the financial condition and results of the operations of the entity. The requirements for this attestation are more specifically provided in Appendix 7 of the RFP Rules.

If the RFP Bidder is relying on its own financial standing, and if financial information is unavailable for the RFP Bidder, the RFP Bidder must clearly state this fact in Section 8 of this Part 1 Form. If the RFP Bidder is relying on the financial standing of another entity, financial information **must be available** for that entity.

\_\_\_\_\_  
*Name of RFP Bidder*

Please indicate here the information provided (check only one)

- SEC Form 10-Q (most recent); or  
 Other quarterly, monthly, or bi-annual financial information with an attestation of the Chief Financial Officer.

### Credit Ratings

The RFP Bidder must submit all available ratings from the following rating agencies for the entity: Standard & Poor's Ratings Services ("S&P"), Moody's Investors Service, Inc. ("Moody's"), and Fitch Ratings ("Fitch").

1. Is the entity rated by S&P?  
 yes  no

**If yes**, please provide:

- The entity's rating \_\_\_\_
- The type of rating \_\_\_\_

You may, but are not required to, provide a print-out of S&P's web site or other documentation from the agency providing the name of the rating agency, the type of rating, and the rating of the entity.

2. Is the entity rated by Moody's?  
 yes  no

**If yes**, please provide:

- The entity's rating \_\_\_\_
- The type of rating \_\_\_\_

You may, but are not required to, provide a print-out of Moody's web site or other documentation from the agency providing the name of the rating agency, the type of rating, and the rating of the entity.

3. Is the entity rated by Fitch?  
 yes  no

**If yes**, please provide:

- The entity's rating \_\_\_\_
- The type of rating \_\_\_\_

You may, but are not required to, provide a print-out of Fitch's web site or other documentation from the agency providing the name of the rating agency, the type of rating, and the rating of the entity.

If you choose to provide documentation from the rating agencies, one hard copy is sufficient.

### **3. Letters of Credit, Guaranty, and Default Service Supply Master Agreement**

**COMPLETE ALL INFORMATION REQUESTED IN THIS SECTION 3 OF THIS PART 1 FORM.**

#### Letters of Credit

1. Are you submitting a Draft Pre-Bid Letter of Credit?  
 yes                       no

An RFP Bidder may request modifications to the Standard Pre-Bid Letter of Credit that are non-material in nature, or that are advantageous to both PECO and the RFP Bidder. An RFP Bidder requests modifications to the Standard Pre-Bid Letter of Credit by submitting a Draft Pre-Bid Letter of Credit substantially in the form of the Standard Pre-Bid Letter of Credit indicating clearly any and all modifications to the Standard Pre-Bid Letter of Credit. The Draft Pre-Bid Letter of Credit must be submitted electronically, in Microsoft Word with tracked changes, and **may be saved to a CD** that is included with this Part 1 Proposal, or it **may be emailed** to the Independent Evaluator at [IE@pecoprocurement.com](mailto:IE@pecoprocurement.com). A Draft Pre-Bid Letter of Credit that is not substantially in the form of the Standard Pre-Bid Letter of Credit will not be considered or evaluated.

2. Are you submitting a Draft Post-Bid Letter of Credit?  
 yes                       no

An RFP Bidder may request modifications to the Standard Post-Bid Letter of Credit that are non-material in nature, or that are advantageous to both PECO and the RFP Bidder. An RFP Bidder requests modifications to the Standard Post-Bid Letter of Credit by submitting a Draft Post-Bid Letter of Credit substantially in the form of the Standard Post-Bid Letter of Credit indicating clearly any and all modifications to the Standard Post-Bid Letter of Credit. The Draft Post-Bid Letter of Credit must be submitted electronically, in Microsoft Word with tracked changes, and may be saved to a CD that is included with this Part 1 Proposal, or it may be emailed to the Independent Evaluator at [IE@pecoprocurement.com](mailto:IE@pecoprocurement.com). A Draft Post-Bid Letter of Credit that is not substantially in the form of the Standard Post-Bid Letter of Credit will not be considered or evaluated.

**ALL APPROVED MODIFICATIONS TO THE STANDARD PRE-BID LETTER OF CREDIT AND THE STANDARD POST-BID LETTER OF CREDIT WILL BE POSTED TO THE RFP WEB SITE. EACH RFP BIDDER MAY USE ANY OF THE APPROVED MODIFICATIONS, REGARDLESS OF WHETHER THE RFP BIDDER ITSELF OR ANOTHER RFP BIDDER PROPOSED THE MODIFICATION.**

\_\_\_\_\_  
Name of RFP Bidder

Information to Prepare the Block Energy Supply Master Agreement and Its Exhibits

The Independent Evaluator sends, along with the Part 1 Notification, the Block Energy Supply Master Agreement to each RFP Bidder that qualified pursuant to a successful Part 1 Proposal. The RFP Bidder, in its Part 1 Proposal, must provide all information needed to prepare for execution the Block Energy Supply Master Agreement and its exhibits.

1. The information that you provide below will be used to complete Exhibit H (Form of Notice) to the Block Energy Supply Master Agreement.

(a) All Notices:

<i>Last Name</i>	<i>Given Name(s)</i>	<i>Mr/Mrs/Ms/Dr/(other)</i>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<i>Street Address</i>		
<input type="text"/>		
<input type="text"/>		
<i>City</i>	<i>State</i>	<i>Zip Code</i>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<i>Telephone No.</i>	<i>Fax No.</i>	
<input type="text"/>	<input type="text"/>	
<i>DUNS</i>	<i>Federal Tax I.D. Number</i>	
<input type="text"/>	<input type="text"/>	

(b) Invoices:

<i>ATTN:</i>		
<i>Last Name</i>	<i>Given Name(s)</i>	<i>Mr/Mrs/Ms/Dr/(other)</i>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<i>Telephone No.</i>	<i>Fax No.</i>	
<input type="text"/>	<input type="text"/>	

(c) Scheduling:

<i>ATTN:</i>		
<i>Last Name</i>	<i>Given Name(s)</i>	<i>Mr/Mrs/Ms/Dr/(other)</i>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<i>Telephone No.</i>	<i>Fax No.</i>	
<input type="text"/>	<input type="text"/>	

\_\_\_\_\_  
*Name of RFP Bidder*

(d) **Payments:**

*ATTN:*

*Last Name*

*Given Name(s)*

*Mr/Mrs/Ms/Dr/(other)*

*Telephone No.*

*Fax No.*

(e) **Wire Transfer:**

*Bank*

*ABA*

*ACCT*

(f) **Credit and Collections:**

*ATTN:*

*Last Name*

*Given Name(s)*

*Mr/Mrs/Ms/Dr/(other)*

*Telephone No.*

*Fax No.*

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

*ATTN:*

*Last Name*

*Given Name(s)*

*Mr/Mrs/Ms/Dr/(other)*

*Telephone No.*

*Fax No.*

\_\_\_\_\_  
*Name of RFP Bidder*

**IF ANY OF THE INFORMATION REQUESTED TO PREPARE THE BLOCK ENERGY SUPPLY MASTER AGREEMENT AND ITS EXHIBITS IS UNAVAILABLE, PLEASE ENTER N/A IN THE FIELDS OR STATE BELOW THAT THE INFORMATION FOR ALL FIELDS LEFT BLANK IS UNAVAILABLE.**

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2. The Officer of the RFP Bidder must sign the following certification.

I certify that the RFP Bidder has no pending legal proceedings or, to its knowledge, threatened legal proceedings against it or any of its affiliates that could materially adversely affect its ability to perform its obligations under the Block Energy Supply Master Agreement and each Transaction Confirmation.

\_\_\_\_\_  
Signature of Officer

\_\_\_\_\_  
Date

\_\_\_\_\_  
*Name of RFP Bidder*

3. Information Needed to Prepare the Guaranty

Is the RFP Bidder relying on the financial standing of an RFP Guarantor?

yes

no

**If no**, please proceed to Section 4 of this Part 1 Form.

**If yes**, please provide:

(a) The following information regarding the RFP Guarantor:

*Name of RFP Guarantor*

*Please state whether the RFP Guarantor is a Corporation, Partnership, etc.*

*Jurisdiction under whose laws the RFP Guarantor is existing and organized .*

*Name of relevant and binding corporate organizational document, such as Declaration of Trust, Limited Liability Company Agreement, Articles of Incorporation and by-laws.*

(b) The following information regarding the RFP Bidder

*Please state whether the RFP Bidder is a Corporation, Partnership, etc.*

*Jurisdiction under whose laws the RFP Bidder is existing and organized .*

(c) The name and contact information for the person to whom notices and other communications will be sent under the guaranty:

*Last Name*

*Given Name(s)*

*Mr/Mrs/Ms/Dr/(other)*

*Title*

*Company*

\_\_\_\_\_  
*Name of RFP Bidder*

*Street Address*

*City*

*State*

*Zip Code*

*Phone Number*

*Fax*

- (d) The name and title of the person who will be signing the guaranty:

*Last Name*

*Given Name(s)*

*Mr/Mrs/Ms/Dr/(other)*

*Title*

- (e) Elections to the Form of Guaranty:

Is the RFP Guarantor using the Form of Guaranty without any modifications and without electing any of the optional changes below?

yes

no

**If yes**, please proceed to Section 4 of this Part 1 Form.

**If no**, please indicate whether the RFP Guarantor is adopting each change. All such optional changes are shown in redline below.

**(Optional Change #1) Paragraph 1:**

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(s) (including, without limitation, indemnities, damages, fees and interest thereon, pursuant to the terms of the Agreement(s)). [Notwithstanding anything to the contrary herein, the maximum aggregate liability of the Guarantor under this Guaranty shall in no event exceed \$\_\_\_\_, less the value of other liquid securities posted by the Seller under the Agreement(s).] All such principal, interest, obligations and liabilities, collectively, are the “Guaranteed Obligations”. This Guaranty is a guarantee of payment and not of collection.

Do you want to adopt optional change #1?

yes  no

**(Optional Change #2) Paragraph 1:**

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(s) (including, without limitation, indemnities, damages, fees and interest thereon, pursuant to the terms of the Agreement(s)). [Notwithstanding anything to the contrary herein, the maximum aggregate liability of the Guarantor under this Guaranty shall in no event exceed \$\_\_\_\_, less the value other liquid securities posted by the Seller under the Agreement(s).] All such principal, interest, obligations and liabilities, collectively, are the “Guaranteed Obligations”. This Guaranty is a guarantee of payment and not of collection. For the avoidance of doubt, this Guaranty guarantees only payment obligations of Seller and does not guarantee physical delivery or, to the extent applicable, reporting obligations of Seller.

Do you want to adopt optional change #2?

yes  no

**(Optional Change #3) Paragraph 1:**

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(s) (including, without limitation, indemnities, damages, fees and interest thereon, pursuant to the terms of the Agreement(s)). [Notwithstanding anything to the contrary herein, the maximum aggregate liability of the Guarantor under this Guaranty shall in no event exceed [ \$\_\_\_\_ ], less the value of other liquid securities posted by the Seller under the Agreement(s).] All such principal, interest, obligations and liabilities, collectively, are the “Guaranteed Obligations”. This Guaranty is a guarantee of payment and not of collection.

Do you want to adopt optional change #3?

yes  no

**(Optional Change #4) Paragraph 2:**

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 (except as explicitly provided herein), 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.

Do you want to adopt optional change #4?

yes  no

**(Optional Change #5) Paragraph 4:**

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(s) 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 any of the Agreement(s) 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, or 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(s) or any Guaranteed Obligations or any instrument evidencing any Guaranteed Obligations or the absence of any action to enforce the same.

Do you want to adopt optional change #5?

yes  no

**(Optional Change #6) Paragraph 5:**

5. Until such time as the Guaranteed Obligations have been paid in full, ~~t~~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.

Do you want to adopt optional change #6?

yes  no

**(Optional Change #7) Paragraph 11:**

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(s) 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.

Do you want to adopt optional change #7?

yes  no

**(Optional Change #8) Paragraph 11:**

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(s) 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 such~~ expiration or termination ~~is effective~~, which Guaranteed Obligations shall remain guaranteed pursuant to the terms of this Guaranty until finally and fully performed.

Do you want to adopt optional change #8?

yes  no

**(Optional Change #9) Paragraph 12:**

12. All payment demands, requests, instructions, 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 telefacsimile (effective upon receipt of evidence, including telefacsimile evidence, that telefacsimile was received).

Do you want to adopt optional change #9?

yes  no

\_\_\_\_\_  
Name of RFP Bidder

**(Optional Change #10) Paragraph 14:**

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 Commonwealth of Pennsylvania. The Guarantor and Guaranteed Party jointly and severally agree and irrevocably submit to the exclusive jurisdiction of state and federal courts located in the Commonwealth of Pennsylvania over any disputes arising or relating to this Guaranty and waive and agree not to assert as a defense any objections to such venue ~~or, including the defense of~~ inconvenient forum.

Do you want to adopt optional change #10?

yes  no

**(Optional Change #11) Paragraph 17:**

~~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.~~

You may only adopt optional change #11 if the Guarantor is not a trust. Do you want to adopt optional change #11?

yes  no

**If yes,** the Representative of the RFP Bidder or by the Officer of the RFP Bidder must make the following representations:

I certify that the Guarantor, on whose financial standing the RFP Bidder will be relying, is not a trust.

\_\_\_\_\_  
Signature of Officer or Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
*Name of RFP Bidder*

#### **4. Regulatory Representation**

**THESE CERTIFICATIONS MUST BE SIGNED BY THE OFFICER OF THE RFP BIDDER.**

I certify that:

- (1) The RFP Bidder has FERC authorization to make sales of energy at market-based rates in PJM. I acknowledge that although a copy of the FERC Order granting such authority is not required, PECO may request a copy of this Order if the RFP Bidder becomes a Block Energy Supplier.
- (2) The RFP Bidder (i) is a member in good standing of PJM; and (ii) is qualified as a PJM “Market Buyer” and “Market Seller” pursuant to the PJM Agreements.

\_\_\_\_\_  
Signature of Officer

\_\_\_\_\_  
Date

\_\_\_\_\_  
*Name of RFP Bidder*

## 5. Additional Representations

I certify that:

- (1) I understand the terms of the Block Energy Supply Master Agreement. The RFP Bidder accepts all of the terms of the Block Energy Supply Master Agreement without modifications, and the RFP Bidder will execute Transaction Confirmation(s) for all Bids approved by the Commission.
- (2) The submission of this Part 1 Proposal constitutes the RFP Bidder's acknowledgement and acceptance of all the terms and conditions of this RFP, regardless of the outcome of the solicitation or the outcome of such Proposal.
- (3) I certify that the RFP Bidder is not part of a bidding agreement, a joint venture for purposes of participating in any solicitation for this Block Energy RFP or for the Full Requirements RFP, a bidding consortium, or any other type of agreement related to bidding in any solicitation of these RFPs.

\_\_\_\_\_  
Signature of Officer

\_\_\_\_\_  
Date

An RFP Bidder found to be acting in concert with another RFP Bidder (a Full Requirements RFP Bidder or a Block Energy RFP Bidder) may be disqualified by the Independent Evaluator.

\_\_\_\_\_  
*Name of RFP Bidder*

## 6. RFP Bidders Under Agency Agreements

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

yes

no

If **no**, please proceed to Section 7 of this Part 1 Form.

If **yes**, please complete all information required in this Section 6 of the Part 1 Form.

*Please note that fields will expand to accommodate text.*

### Basic Information for the Principal or Principals

If more than one entity is serving as Principal, please list each entity under “Name of Principal or Principals”.

*Name of Principal or Principals*

--

### Agency Agreement

A copy of the Agency Agreement is required. Please submit one copy (either in hard copy or electronically on a CD) with this Part 1 Proposal.

### Financial Information

In Section 2, you must select option (b) and name as the entity upon whose financial standing you are relying the Principal with the lowest credit rating.

### Additional Representation

I certify that I have the authority to bind the Principal(s) under the Agency Agreement provided with this Part 1 Proposal. I acknowledge that with the Part 2 Proposal, I will be required to submit an Officers’ Certificate signed by an officer of each Principal substantially in the form of Appendix 10 to the RFP Rules.

\_\_\_\_\_  
Signature of Officer submitting a Proposal  
under an Agency Agreement

\_\_\_\_\_  
Date

\_\_\_\_\_  
*Name of RFP Bidder*

The RFP Bidder may, but is not required to, submit a draft Officers' Certificate with this Part 1 Proposal for evaluation. If a draft Officers' Certificate is submitted for evaluation, the Independent Evaluator will inform the RFP Bidder of any changes required.

Is the RFP Bidder submitting a draft Officers' Certificate?

yes

no

\_\_\_\_\_  
*Name of RFP Bidder*

## 7. Foreign RFP Bidders and Foreign Entities

Is the RFP Bidder a Foreign RFP Bidder?

yes  no

Is the RFP Bidder relying on the financial standing of a Foreign Entity (RFP Guarantor or Principal)?

yes  no

**If no to both questions**, please proceed to Section 8 of this Part 1 Form.

**If yes to one of these questions**, please complete all information required in this Section 7 of the Part 1 Form.

### Evidence of Creditworthiness

In addition to supplying all required information and documents under Section 2 of this Part 1 Form, a Foreign RFP Bidder or an RFP Bidder relying on the financial standing of a Foreign Entity may provide any additional evidence of creditworthiness for the Foreign RFP Bidder or the Foreign Entity so as to provide PECO with comparable assurances of creditworthiness applicable for an entity that has been incorporated or otherwise formed under the laws of a state of the United States or of the District of Columbia.

Are you submitting additional evidence of creditworthiness for the Foreign RFP Bidder or for a Foreign Entity on whose financial standing the RFP Bidder relies?

yes  no

### Representations

#### **THE OFFICER OF A FOREIGN RFP BIDDER MUST MAKE THE FOLLOWING CERTIFICATION:**

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

\_\_\_\_\_  
Signature of Officer of the Foreign RFP Bidder

\_\_\_\_\_  
Date

\_\_\_\_\_  
*Name of RFP Bidder*

**THE OFFICER OF AN RFP BIDDER RELYING ON THE FINANCIAL STANDING OF AN RFP GUARANTOR THAT IS A FOREIGN ENTITY MUST MAKE THE FOLLOWING CERTIFICATION:**

I acknowledge that the following additional documents are required with the Part 2 Proposal for the RFP Guarantor to be granted unsecured credit and for the RFP Bidder to rely on the financial standing of the RFP Guarantor under the terms of the Block Energy Supply Master Agreement: (i) a legal opinion of outside counsel qualified to practice in the foreign jurisdiction in which the RFP Guarantor is incorporated or otherwise formed that the guaranty pursuant to the Block Energy Supply Master Agreement is, or upon the completion of execution formalities will become, the binding obligation of the RFP Guarantor in the jurisdiction in which it has been incorporated or otherwise formed; and (ii) the sworn certificate of the corporate secretary (or similar officer) of such RFP Guarantor that the person executing the guaranty pursuant to the Block Energy Supply Master Agreement on behalf of the RFP Guarantor has the authority to execute the guaranty pursuant to the Block Energy Supply Master Agreement and that the governing board of such RFP Guarantor has approved the execution of the guaranty pursuant to the Block Energy Supply Master Agreement; and (iii) the sworn certificate of the corporate secretary (or similar officer) of such RFP Guarantor that the RFP Guarantor has been authorized by its governing board to enter into agreements of the same type as the guaranty pursuant to the Block Energy Supply Master Agreement.

\_\_\_\_\_  
Signature of Officer of the RFP Bidder relying on the financial standing of an RFP Guarantor that is a Foreign Entity

\_\_\_\_\_  
Date

**THE OFFICER OF AN RFP BIDDER THAT IS SUBMITTING A PROPOSAL UNDER AN AGENCY AGREEMENT WITH A PRINCIPAL THAT IS A FOREIGN ENTITY MUST MAKE THE FOLLOWING CERTIFICATION:**

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

\_\_\_\_\_  
Signature of Officer of the RFP Bidder submitting a Proposal Under an Agency Agreement and the Principal is a Foreign Entity

\_\_\_\_\_  
Date

\_\_\_\_\_  
*Name of RFP Bidder*

### Draft Documents

The Officer of the RFP Bidder has acknowledged in the immediately preceding certifications that certain documents are required with the Part 2 Proposal for unsecured credit to be granted under the terms of the Block Energy Supply Master Agreement. The RFP Bidder may, but is not required to, submit a draft of these documents, in hard copy or electronically on a CD, with its Part 1 Proposal.

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

yes  no

**If no,** please proceed to Section 8 of this Part 1 Form.

**If yes,** please check all that apply:

#### **FOR FOREIGN RFP BIDDERS:**

Draft legal opinion of outside counsel qualified to practice in the foreign jurisdiction that the Block Energy Supply Master Agreement is binding. Exhibit G to the Block Energy Supply Master Agreement includes a sample of this legal opinion.

Draft sworn certificate of the corporate secretary (or similar officer) of the Foreign RFP Bidder that the person executing the Block Energy Supply Master Agreement is so authorized and that its governing board has approved the execution of the Block Energy Supply Master Agreement.

Draft sworn certificate of the corporate secretary (or similar officer) of the Foreign RFP Bidder that its governing board has authorized the execution of agreements of the same type as the Block Energy Supply Master Agreement in the past.

#### **FOR RFP BIDDERS RELYING ON THE FINANCIAL STANDING OF AN RFP GUARANTOR THAT IS A FOREIGN ENTITY:**

Draft legal opinion of outside counsel qualified to practice in the foreign jurisdiction that the guaranty pursuant to the Block Energy Supply Master Agreement is binding. Exhibit G to the Block Energy Supply Master Agreement includes a sample of this legal opinion.

Draft sworn certificate of the corporate secretary (or similar officer) of the RFP Guarantor that the person executing the guaranty is so authorized and that its governing board has approved the execution of the guaranty pursuant to the Block Energy Supply Master Agreement.

Draft sworn certificate of the corporate secretary (or similar officer) of the RFP Guarantor that its governing board has authorized the execution of a guaranty of the same type as the guaranty pursuant to the Block Energy Supply Master Agreement in the past.

\_\_\_\_\_  
*Name of RFP Bidder*

**FOR RFP BIDDERS SUBMITTING A PROPOSAL UNDER AN AGENCY AGREEMENT WITH A PRINCIPAL THAT IS A FOREIGN ENTITY:**

- Draft legal opinion of outside counsel qualified to practice in the foreign jurisdiction that the Block Energy Supply Master Agreement is binding. Exhibit G to the Block Energy Supply Master Agreement includes a sample of this legal opinion.
- Draft sworn certificate of the corporate secretary (or similar officer) of the Principal that its governing board has authorized the execution of agreements of the same type as the Block Energy Supply Master Agreement in the past.

\_\_\_\_\_  
*Name of RFP Bidder*

## **8. Justification of Omissions**

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

## Checklist

**This is a checklist of required documents that the RFP Bidder may use to prepare the Part 1 Proposal.**

- Three (3) originals** of the completed Part 1 Form (with original signatures and original notarized signatures where required) *[Instructions]*
- One (1) copy** (hard copy or electronically on a CD): If submitting a Proposal under an Agency Agreement, a copy of the Agency Agreement. *[Section 6]*

For the entity (the RFP Bidder, a Guarantor, or a Principal) on whose financial standing the RFP Bidder relies:

- One (1) copy** (hard copy or electronically on a CD): most recent SEC Form 10-Q; if unavailable, the most recent quarterly, monthly or bi-annual financial information accompanied by an attestation by the entity's Chief Financial Officer (or equivalent position) that the information contained in the financial statements fairly presents in all material respects the financial condition and results of the operations of the entity. *[Section 2]*

**This is a checklist of optional documents that the RFP Bidder may use to prepare the Part 1 Proposal:**

- One (1) copy** (electronically on a CD or via email): Draft Pre-Bid Letter of Credit. *[Section 2]*
- One (1) copy** (electronically on a CD or via email): Draft Post-Bid Letter of Credit. *[Section 2]*
- One (1) copy** (hard copy): Documentation showing the name of the rating agency, the type of rating, and the rating of the entity *[Section 2]*

An RFP Bidder submitting a Proposal under an Agency Agreement may also provide the following draft document for evaluation:

- One (1) copy** (hard copy or electronically on a CD): Draft Officers' Certificate. *[Section 6]*

An RFP Bidder submitting a Proposal under an Agency Agreement with a Principal that is a Foreign Entity may also provide the following draft documents for evaluation:

- One (1) copy** (hard copy or electronically on a CD): Draft legal opinion of outside counsel qualified to practice in the foreign jurisdiction that the Block Energy Supply Master Agreement is binding. *[Section 7]*
- One (1) copy** (hard copy or electronically on a CD): Draft sworn certificate of the corporate secretary (or similar officer) of the Principal that its governing board has authorized the execution of agreements of the same type as the Block Energy Supply Master Agreement in the past. *[Section 7]*

\_\_\_\_\_  
*Name of RFP Bidder*

A Foreign RFP Bidder may also provide the following draft documents for evaluation:

- One (1) copy** (hard copy or electronically on a CD): Draft legal opinion of outside counsel qualified to practice in the foreign jurisdiction that the Block Energy Supply Master Agreement is binding. *[Section 7]*
- One (1) copy** (hard copy or electronically on a CD): Draft sworn certificate of the corporate secretary (or similar officer) of the Foreign RFP Bidder that the person executing the Block Energy Supply Master Agreement is so authorized and that its governing board has approved the execution of the Block Energy Supply Master Agreement. *[Section 7]*
- One (1) copy** (hard copy or electronically on a CD): Draft sworn certificate of the corporate secretary (or similar officer) of the Foreign RFP Bidder that its governing board has authorized the execution of agreements of the same type as the Block Energy Supply Master Agreement in the past. *[Section 7]*

An RFP Bidder relying on the financial standing of an RFP Guarantor that is a Foreign Entity may also provide the following draft documents for evaluation:

- One (1) copy** (hard copy or electronically on a CD): Draft legal opinion of outside counsel qualified to practice in the foreign jurisdiction that the guaranty pursuant to the Block Energy Supply Master Agreement is binding. *[Section 7]*
- One (1) copy** (hard copy or electronically on a CD): Draft sworn certificate of the corporate secretary (or similar officer) of the RFP Guarantor that the person executing the guaranty is so authorized and that its governing board has approved the execution of the guaranty pursuant to the Block Energy Supply Master Agreement. *[Section 7]*
- One (1) copy** (hard copy or electronically on a CD): Draft sworn certificate of the corporate secretary (or similar officer) of the RFP Guarantor that its governing board has authorized the execution of a guaranty of the same type as the guaranty pursuant to the Block Energy Supply Master Agreement in the past. *[Section 7]*

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***End of Part 1 Form***

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