

Attachment C -- Pricing Settlement

The RFP Administrator's preferred price settlement is guaranteed savings compared to PNE's electricity bill without the project. The airport's electrical requirements are provided by PECO Energy Company ("PECO") pursuant to Rate PD (Primary Distribution)⁶.

When operational, the project will supply a portion of PNE's electrical requirements pursuant to Rate PD supplemented by PECO's Net Metering Tariff, Rate RS-2⁷. Electricity that would have been provided by PECO if not for the Project, or electrical generation in excess of PNE's requirements, will be credited at the "full retail rate," as PECO defines that term.

"Guaranteed savings" means a fixed percentage discount relative to what PNE would have paid absent the project, settled monthly. The deal structure would require the Seller to calculate PNE's electricity bill pursuant to Rate PD, apply the fixed discount factor to the resulting unit rate, and invoice PNE for metered generation multiplied by the adjusted unit rate.

For example, in June 2020, PNE paid an average unit rate of \$72.30/MWh all-in. Assuming a fixed discount factor of 10%, the Seller would invoice PNE for metered generation multiplied by $\$72.30/\text{MWh} \times (1 - 10\%) = \$65.10/\text{MWh}$.

The RFP Administrator is open to other proposed settlement approaches, but the farther away from the guaranteed savings concept, the less likely the proposal will get to the short list. All proposals should assume that the Seller will retain the unforced capacity value of the Project.

Proposals that include project-specific RECs are preferred, but Proposers alternatively may specify national Green-e RECs or both project-specific and Green-e with applicable offer prices. If proposing national Green-e RECs, either standalone or with alternative proposals that include project-specific RECs, provide valuation details such as location(s) and technology of proposed source generator(s) and vintage of RECs.

Proposers are required to fill out the spreadsheet file (**Attachment D** -- "Pricing Proposal").

⁶ <https://www.peco.com/SiteCollectionDocuments/Page55RATEPD.pdf>

⁷ <https://www.peco.com/SiteCollectionDocuments/January%201,%202016%20-%20Rate%20RS-2.pdf>