EXECUTION COPY
SOLAR STANDALONE VERSION

POWER PURCHASE AND OPERATING AGREEMENT

BETWEEN

PUERTO RICO ELECTRIC POWER AUTHORITY

AND

CS-UR JUNCOS PV LLC

DATED AS OF JUNE 30, 2022

Puerto Rico
Electric Power
Authority

TABLE OF CONTENTS

Page

1. DEFINITIONS & INTERPRETATION 8

   1.1 Definitions 8
   1.2 Rules of Interpretation 27

2. TERM, EFFECTIVENESS & PERFORMANCE SECURITY 28

   2.1 Signing Conditions 28
   2.2 Initial Term 28
   2.3 Initial Effectiveness & Closing Date 28
   2.4 Extension 29
   2.5 Performance Security 29

3. PRE-OPERATION PERIOD 30

   3.1 Consulting Technical Expert 30
   3.2 Resource Provider's Development Obligations 31
   3.3 PREPA Development Obligations 31
   3.4 Extensions of Time 32
   3.5 Delay Liquidated Damages 32
   3.6 Exchange of Information 33
   3.7 Cooperation 34
   3.8 Interconnection Agreement 34
   3.9 Protocols & Procedures 34
   3.10 Resource Provider Utilities 34

4. FACILITY DESIGN REQUIREMENTS 35

   4.1 Proposed Design 35
   4.2 Modifications 36
   4.3 Modeling 37
   4.4 Pre-Synchronization Testing 38
   4.5 Protection Relays & Control 39
   4.6 Voltage Schedule 40
   4.7 Facility Upgrades 40

5. SYNCHRONIZATION, TESTING & COMPLETION 40

   5.1 Scheduling Synchronization 40
   5.2 Initial Synchronization 40
   5.3 Initial Performance Tests 40
   5.4 Resource Provider Interconnection Facilities 42

6. OPERATION OF THE FACILITY 43

   6.1 General 43
   6.2 Availability Estimates 43

6.3 Scheduled Maintenance 44
6.4 Non-Scheduled Outages & Deratings 45
6.5 Emergencies 45
6.6 Restoration of the Facility 46
6.7 Communication 46
6.8 Record Keeping 47
6.9 Supply Period Performance Tests 47
6.10 Network Security 48

7. DISPATCHING 48

7.1 General 48
7.2 Curtailment for Breach 49

8. METERING 50

8.1 Meter Ownership & Maintenance 50
8.2 Meter Inspection 50
8.3 Meter Testing & Calibration 50
8.4 Meter Reading 51
8.5 Data 51

9. SALE & PURCHASE 52

9.1 General 52
9.2 Title & Risk of Loss 52
9.3 Right of Resale 52
9.4 Ancillary Services 52
9.5 Green Credits 52
9.6 Improvement in PREPA's Financial Condition 53

10. PAYMENT & BILLINGS 53

10.1 Invoice for Monthly Payment 53
10.2 Resource Provider Invoice Certification 54
10.3 Invoice for Liquidated Damages 54
10.4 Payment Set-Off 55
10.5 Payment Method 55
10.6 Disputed Invoices 55

11. LIABILITY 55

11.1 General 55
11.2 Foreseeable Damages 55
11.3 No Liability 56
11.4 Obligation to Pay 56
11.5 Resource Provider Liability Cap 56

12. REPRESENTATIONS, WARRANTIES, & COVENANTS 56

12.1 Compliance with Law 56

12.2 Fines & Penalties 57
12.3 Resource Provider Representations & Warranties 57
12.4 PREPA Representations & Warranties 58
12.5 Resource Provider Payments 59
12.6 Resource Provider's Financial Statements 59
12.7 Resource Provider's Officers 59
12.8 Other Business 59
12.9 Confidentiality 59
12.10 Local Content 60
12.11 Subcontracting 61
12.12 Administrative Expense Treatment 61

13. INDEMNIFICATION 61

13.1 General 61
13.2 Notice of Claim 61
13.3 Claims Arising From Environmental Harm 61

14. FORCE MAJEURE 62

14.1 General 62
14.2 Instances of Force Majeure 62
14.3 Notice 63
14.4 Consequences 63
14.5 Disputes 63
14.6 Extended Force Majeure 63

15. TERMINATION 63

15.1 Termination Date 63
15.2 No Discharge of Obligations 64
15.3 Removal of Facility & Related Equipment 64

16. DEFAULT 65

16.1 Definition 65
16.2 Certain Material Breaches 66
16.3 Remedies & Disputes 67

17. CHANGE-OF-LAW & TAXES 67

17.1 Change-of-Law 67
17.2 Tracking Account 67
17.3 Taxes 68

18. INSURANCE 68

18.1 Resource Provider Requirements 68
18.2 Requirements for Resource Provider Policies 70
18.3 Contractor Requirements 70
18.4 Requirements for the Contractor Policies 71

18.5 Application of Proceeds 72
18.6 General Provision 72

19. ASSIGNMENT & TRANSFER 72

19.1 Restriction on Assignment 72
19.2 PREPA's Right to Assign 73
19.3 Resource Provider's Right to Assign 73
19.4 Restrictions on Equity Transfers 74
19.5 Restrictions on Asset Transfers 76

20. NOTICES 77

20.1 General. 77
20.2 Change of Address or Persons 77

21. DISPUTE RESOLUTION 77

21.1 Scope of the Dispute Resolution Provisions 77
21.2 Commencement of the Dispute Resolution Procedure 78
21.3 Negotiation 78
21.4 Technical Recommendation 78
21.5 Arbitration 78

22. MISCELLANEOUS PROVISIONS 79

22.1 Waiver & Amendment 79
22.2 Strict Performance 80
22.3 No Third-Party Beneficiaries 80
22.4 Resource Provider Certification Requirement 80
22.5 No Sharing of Benefit 80
22.6 No Association, Joint Venture, or Partnership 80
22.7 Successors 80
22.8 Complete Agreement & Conflicts 80
22.9 Severability 81
22.10 Anticorruption & Antibribery 81
22.11 No Economic Interest 81
22.12 Code of Ethics 81
22.13 Independent Contractor 81
22.14 Counterparts 81
22.15 Governing Law 81

APPENDICES

A. HOLIDAYS 83

B. PREPA SIGNING CONDITIONS 84

C. CONDITIONS PRECEDENT 86

D. MILESTONE SCHEDULE 89

E. RESOURCE PROVIDER PERMITS 90

F. COMPENSATION & EXAMPLE OF PRICE CALCULATION 92

G. DETERMINATION OF EXPECTED & DEEMED NEO 94

H. FACILITY SITE 101

I. INTERCONNECTION DESCRIPTION AND SPECIFICATIONS 110

I-1. ELECTRICAL INTERCONNECTION SINGLE LINE 117

J. PROGRESS REVIEW 121

K. OPERATING CHARACTERISTICS 123

L. MINIMUM TECHNICAL REQUIREMENTS 124

M. OPERATING PROCEDURES 132

N. TESTING PROTOCOL 180

O. TECHNICAL SPECIFICATIONS FOR THE DYNAMIC SYSTEM MONITOR 193

P. TECHNICAL REQUIREMENTS FOR OPERATION, PROTECTION, & CONTROL 198

Q. PERFORMANCE GUARANTEE 200

R. FORM OF SWORN STATEMENT 201

S. FORM OF FOMB CERTIFICATION 203

T. FORM OF CONDITIONS PRECEDENT CERTIFICATE 205

U. FORM OF CONSTRUCTION START DATE CERTIFICATE 206

V. FORM OF COMMERCIAL OPERATION DATE CERTIFICATE 208

W. FORM OF PERFORMANCE SECURITY 209

X. FORM OF DIRECT AGREEMENT 213

Y. FORM OF IF COMPLETION NOTICE 222

Z. FORM OF SUBSTANTIAL COMPLETION NOTICE 223

AA. FORM OF WARRANTY COMPLIANCE CERTIFICATE 224

BB. FORM OF PAYMENT GUARANTEE 225

THIS POWER PURCHASE AND OPERATING AGREEMENT (the "**Agreement**") is entered into as of this 30 day of June, 2022 (the "**Agreement Date**") between the **PUERTO RICO ELECTRIC POWER AUTHORITY** (including any successor thereto, "**PREPA**"), a public corporation and governmental instrumentality of the Commonwealth of Puerto Rico, created by Act of May 2, 1941, No. 83, as amended, employer identification number 660433747, represented in this act by its Executive Director, Mr. Josué Colón, of legal age, married, engineer and resident of Caguas, Puerto Rico; and **CS-UR JUNCOS PV LLC** ("**Resource Provider**"), a Puerto Rico limited liability company, authorized to do business in Puerto Rico, employer identification number 468734, with its principal office at 154 Calle Rafael Cordero, Suite 700, San Juan, PR 00902 (PO Box 9024163 San Juan, PR 00902-4163), and represented in this act by its Authorized Representatives, Mr. Gerardo Adame Álvarez, of legal age, married, and a resident of Ciudad de México, México, and Mr. Jorge Romero Barbado, legal age, married, and a resident of Austin, Texas, authorized to jointly sign this Agreement on behalf of Resource Provider as certified by the Resolution dated December 3, 2021. PREPA and Resource Provider are herein individually referred to as a "**Party**" and collectively referred to as "**Parties**":

RECITALS

WHEREAS,

A. To procure renewable energy generation and energy storage services at sites across the island of Puerto Rico in accordance with the requirements of the Puerto Rico Energy Public Policy Act (Act 17-2019), the Puerto Rico Energy Diversification Policy through Sustainable and Alternative Renewable Energy Act (Act 82-2010), PREB's Final Resolution and Order on PREPA's Integrated Resource Plan in Case No. CEPR-AP-2018-0001 issued on August 24, 2020, and PREB's Resolution and Order on PREPA's Draft Procurement Plan in Case No. NEPR-MI-2020-012 issued on December 8, 2020, PREPA has conducted a competitive procurement process based upon its issuance of Request for Proposals No. 112648, Renewable Energy and Energy Storage Resources, Tranche 1 of 6, on February 22, 2021 (as amended, the "**RFP**") to select one or more developers to (i) design, construct, install, interconnect, test, commission, operate and maintain renewable energy generation, virtual power plants, and/or energy storage resources, and (ii) enter into agreement(s) with PREPA for the same;

B. Resource Provider, among other bidders, (i) submitted a proposal in response to the RFP on June 18, 2021 and separately submitted an on-demand letter of credit as security for Resource Provider's satisfaction of the requirements of the RFP (the "**Bid Security**") and (ii) desires to (a) develop, finance, construct, own, operate and maintain a 100 MW AC photovoltaic solar energy generation facility (the "**Project**"), and (b) sell and make available exclusively to PREPA all of the capacity, Net Electrical Output, Ancillary Services and Green Credits of/from such facility in accordance with this Agreement; and

C. PREPA (i) selected Resource Provider as one of the preferred bidders following the submission and evaluation of all proposals, and (ii) desires to purchase all of the capacity, Net Electrical Output, Ancillary Services and Green Credits of/from such facility in accordance with this Agreement;

NOW THEREFORE, in consideration of these premises and of the mutual covenants and agreements set forth herein, the Parties, intending to be legally bound, hereby agree to the following:

1. DEFINITIONS & INTERPRETATION

1.1 Definitions

In this Agreement:

"**AC**" means alternating electrical current.

"**Additional Costs**" has the meaning set forth in paragraph (a) of Section 17.1 (*Change-of-Law*).

"**Affected Party**" has the meaning set forth in Section 14.1 (*General*).

"**Affiliate**" means, with respect to any specified Person, any other Person that directly or indirectly, through one or more intermediaries, Controls (e.g., has the status of a parent company), is Controlled by (e.g., has the status of a subsidiary) or is under common Control (e.g., has the status of sister company) with such specified Person.

"**Agreement**" has the meaning set forth in the preamble of this Agreement.

"**Agreement Date**" has the meaning set forth in the preamble of this Agreement.

"**Agreement Date Obligations**" has the meaning set forth in paragraph (a) of Section 2.3 (*Initial Effectiveness & Closing Date*).

"**Agreement Year**" means each period of twelve (12) consecutive Months, provided that (i) the first such period shall begin on the Commercial Operation Date, (ii) each such subsequent year shall begin on the corresponding anniversary of such earlier date, and (iii) the last such period shall expire at the end of the Supply Period.

"**Ambient Conditions**" has the meaning set forth in paragraph (a) of Section 2 (*Facility Performance Model*) of Appendix G (*Determination of Expected & Deemed NEO*).

"**Ancillary Services**" means any services required by the MTRs or otherwise capable of being made available to the Grid System by the Facility (other than the delivery of Net Electrical Output) from time to time, including automatic generation control, energy storage or spinning reserve, synchronous condenser mode, reactive power support, operating reserve, frequency control, ramp rate control, voltage control, black start capability, voltage support, emergency stand-by support, or others, as applicable.

"**Applicable Law**" or "**Law**" means, with respect to any Person, any constitution, bilateral or multilateral treaty, statute, law, rule, regulation, ordinance, judgment, order, decree, governmental consent, or approval or any published directive, guideline, requirement or other governmental restriction, which has the force of law, or any determination, or interpretation of any of the foregoing, by any judicial authority, which legally binds such Person or its property whether in effect as of the Resource Provider Execution Date or thereafter.

"**Applicable Standards**" means the MTRs, the DCDs, any other applicable PREPA standards that PREPA has made available or identified to Resource Provider as applicable to Resource Provider's performance of its obligations under this Agreement, and any other codes, standards or requirements set forth in any Applicable Law, including any applicable federal, state or local code, the latest standards of the Institute of Electrical and Electronic Engineers (IEEE), National Electrical Manufacturer's Association (NEMA), American Concrete Institute (ACI), American National Standards Institute (ANSI), International Code Council Code (ICC), National Fire Protection Association and the North American Electric Reliability Corporation (NERC), as well as the latest editions of the National Electrical Code and the National Electrical Safety Code (NESC), to the extent not inconsistent with the foregoing, in each case as modified from time to time.

"**Approved Design**" has the meaning set forth in paragraph (c) of Section 4.1 (*Proposed Design*).

"**Arbitration Rules**" has the meaning set forth in paragraph (a) of Section 21.5 (*Arbitration*).

"**Arbitrator**" has the meaning set forth in paragraph (a) of Section 21.5 (*Arbitration*).

"**Balance**" has the meaning set forth in paragraph (b) of Section 17.2 (*Tracking Account*).

"**Base Rate**" or "**BR**" has the meaning set forth in Section 3 (*Base Rate*) of Appendix F (*Compensation*).

"**Best and Final Offer**" has the meaning set forth in the RFP.

"**Best Interests Determination**" means a determination by PREPA that the Project will serve the best interests of its ratepayers as evidenced by the findings of the Feasibility Study, System Impact Study and Facility Study, following the completion of the phase III evaluation of the Project by PREPA as contemplated by the RFP.

"**Bid Security**" has the meaning set forth in Recital B in the preamble of this Agreement.

"**Billing Period**" means a Month, provided that (i) the first such period shall begin on the Initial Synchronization Date and end on the final Day of the Month in which the Initial Synchronization Date occurs, and (ii) the last such period shall begin on the first Day of the Month in which the Supply Period will expire and end on final Day of the Supply Period.

"**Bulk-Power System EO**" means E.O. 13920 of May 1, 2020, as supplemented by and including the rules and regulations published by the U.S. Department of Energy in connection therewith, as such may be modified from time to time.

"**Business Day**" means a Day other than (i) a Saturday, a Sunday or a Day on which Applicable Law requires or authorizes commercial banks in San Juan, Puerto Rico to close, or (ii) any other Day recognized as a holiday by PREPA as listed in Appendix A (*Holidays*) hereto or notified to Resource Provider from time to time.

"**Capacity Shortfall Liquidated Damages**" has the meaning set forth in item (2), paragraph (b) of Section 5.3 (*Initial Performance Tests*).

"**Change-of-Law**" means the enactment, approval or issuance of an Applicable Law after the Resource Provider Execution Date.

"**CGL**" has the meaning set forth in paragraph (c) of Section 18.3 (*Contractor Requirements*).

"**Claims**" means all claims, actions, suits, demands, or proceedings brought by any Person for liabilities, judgments, losses, costs (including court costs, reasonable attorneys' fees, and costs of investigation), fines, penalties, expenses, and damages of whatsoever kind or nature, arising in contract, tort, or otherwise.

"**Closing Date**" has the meaning set forth in paragraph (a) of Section 2.3 (*Initial Effectiveness & Closing Date*).

"**COD Termination Event**" means the occurrence of the Long-Stop Date prior to the Commercial Operation Date.

"**Commercial Operation**" means satisfaction of the requirements set forth in a certificate issued by Resource Provider in accordance with paragraph (e) of Section 5.3 (*Initial Performance Tests*) in the form set forth in Appendix V (*Form of Commercial Operation Date Certificate*).

"**Commercial Operation Date**" means the date when Resource Provider first achieves Commercial Operation.

"**Conditions Precedent**" has the meaning set forth in paragraph (a) of Section 2.3 (*Initial Effectiveness & Closing Date*).

"**Construction Start**" means satisfaction of all requirements set forth in a certificate issued by Resource Provider in the form set forth in Appendix U (*Form of Construction Start Date Certificate*).

"**Construction Start Date**" means the date on which Resource Provider achieves Construction Start, as evidenced by a certificate issued by Resource Provider to PREPA in a form set forth in Appendix U (*Form of Construction Start Date Certificate*).

"**Construction Start Termination Event**" means Resource Provider's failure to achieve the Construction Start Date by the Guaranteed Construction Start Date.

"**Consulting Technical Expert**" has the meaning set forth in Section 3.1 (*Consulting Technical Expert*).

"**Contract Capacity**" means, at any given time, the lower of (i) the Maximum Dispatch Limit, and (ii) the Generating Capacity.

"**Contract Rate**" has the meaning set forth in Appendix F (*Compensation*).

"**Control**" means (i) the ownership (whether directly or indirectly) of more than fifty percent (>50%) of the total issued voting share capital or other voting interest of that company or corporation, or (ii) the ability to unilaterally appoint a majority of the board directors or equivalent body of that company or corporation through the ownership of securities with voting power or otherwise, without the need of the vote or approval of another, or (iii) the ability to unilaterally direct the business affairs and/or operations of that company or corporation, without the need of the vote or approval of another; and the terms "**Controls**," "**Controlled**," and "**Controlling**" shall have a corresponding meaning, provided that if two (2) shareholders each own fifty percent (50%) of the total issued and outstanding shares of a corporation, then neither shareholder controls such corporation.

"**COR3**" means the Central Recovery and Reconstruction Office of Puerto Rico.

"**Critical Project**" has the meaning set forth in Title V of PROMESA.

"**Day**" means a period of twenty-four (24) consecutive hours, beginning at 00:00 hours on any Gregorian calendar day and ending at 24:00 hours on such day, Puerto Rico time.

"**DC**" means direct electrical current.

"**Deemed Completion**" means the occurrence of each of the following events: (i) the completion of the installation of the Facility in all material respects (other than punch list items), and (ii) a

delay of the commencement of the Initial Performance Tests, or interruption of an ongoing Initial Performance Tests, for a period of at least fifteen (15) consecutive Days as determined under Section 3.4 (*Extensions of Time*), arising out of a PREPA Risk Event, in each case as evidenced by the delivery of a certificate by Resource Provider to PREPA, co-signed by the Consulting Technical Expert, certifying (A) the truth and correctness of each of the foregoing events, and (B) the date on which Resource Provider would have achieved Commercial Operation but for the occurrence of a PREPA Risk Event, which formed the basis for an extension of time of the Guaranteed Commercial Operation Date under Section 3.4 (*Extensions of Time*); provided that Deemed Completion shall never occur earlier than the Guaranteed Commercial Operation Date.

"**Deemed NEO**" means, for any Deemed NEO Period, the quantity of energy deemed available at the Interconnection Point (up to the Expected NEO for such period), but not taken by PREPA as a result of a PREPA Risk Event, in each case as determined in accordance with Appendix G (*Determination of Expected & Deemed NEO*).

"**Deemed NEO Period**" has the meaning set forth in Appendix G (*Determination of Expected & Deemed NEO*).

"**Default**" has the meaning set forth in Section 16.1 (*Definition*).

"**Derated Quantity**" means, for each Event Interval, the quantity of energy by which the Expected NEO for such interval exceeds the Net Electrical Output during such interval, provided that if the Net Electrical Output equals or exceeds the Expected NEO for such interval, then the Derated Quantity for such interval shall equal zero (0).

"**Derating**" means, for any Time Interval, Resource Provider's inability or failure to make any and all Net Electrical Output available at the Interconnection Point in a quantity corresponding to the Expected NEO for such interval, but excluding any period of Outage.

"**Designated Person**" has the meaning set forth in paragraph (a) of Section 21.3 (*Negotiation*).

"**Development Abandonment**" means (i) the permanent cessation by Resource Provider of the development and construction of the Facility being installed by Resource Provider after the Closing Date and prior to the Commercial Operation Date, as evidenced by Resource Provider's or its construction contractors' personnel having withdrawn from the Site (unless Resource Provider demonstrates otherwise) and Resource Provider having otherwise ceased development and construction activities related to the Facility for more than one hundred twenty (120) consecutive Days for any reason other than as a result of Force Majeure affecting Resource Provider or a PREPA Risk Event; or (ii) Resource Provider's failure to fund the PREPA Interconnection Facilities Works in accordance with the Interconnection Agreement.

"**Disclosing Party**" has the meaning set forth in paragraph (a) of Section 12.9 (*Confidentiality*).

"**Dispatch Notice**" means the operating instruction and any subsequent updates given by PREPA (directly or through the SCADA system) to Resource Provider, directing the Facility to make available a specified quantity of Net Electrical Output.

"**Dispute**" has the meaning set forth in of Section 21.1 (*Scope of the Dispute Resolution Provisions*).

"**Dispute Notice**" has the meaning set forth in paragraph (a) of Section 21.2 (*Commencement of the Dispute Resolution Procedure*).

"**Dispute Resolution Procedure**" has the meaning set forth in Section 21.1 (*Scope of the Dispute Resolution Provisions*).

"**dollars**" and "**$**" means United States dollars.

"**Emergency**" means an operational condition or situation affecting the Grid System (including system security and reliability or a declaration of an emergency event under Applicable Law or by any Governmental Authority) or the Facility, which has resulted in, or will likely result in, imminent significant disruption of service to a significant number of customers or likely endangers life or property.

"**Energy Yield Assessment Report**" means a report, prepared by Resource Provider, that sets out an estimate of the energy (kWh) expected to be delivered by the Facility (daily, monthly, and annually) to the Interconnection Point and specifically defines the Facility's P50 Energy Yield applicable to each Agreement Year during the Term.

"**Environmental Costs**" means any and all fixed and variable costs incurred by Resource Provider resulting from the imposition or assessment on, or as a result of the ownership or operations of, the Facility by Applicable Law relating to the environment, issued by a Governmental Authority.

"**Equity**" means any capital paid or caused to be paid by or on behalf of Resource Provider's Shareholders or their Affiliates to Resource Provider for shares in Resource Provider or in the form of Shareholder loans to Resource Provider, which by their terms are subordinated to any indebtedness for borrowed money incurred by Resource Provider under Financing Documents with the Project Lenders.

"**Equity Transfer**" has the meaning set forth in paragraph (a) of Section 19.4 (*Restrictions on Equity Transfers*).

"**Equivalent Force Majeure Derated Hours**" means, for any Agreement Year, the number of hours equal to (i) the sum of the fractions obtained by dividing the Derated Quantity for each Force Majeure Event Interval to date during such Agreement Year by the Expected NEO applicable to such Force Majeure Event Interval *divided by* (ii) six (6).

"**Equivalent Grid System Derated Hours**" means, for any Agreement Year, the number of hours equal to (i) the sum of the fractions obtained by dividing the Derated Quantity for each Grid System Event Interval to date during such Agreement Year by the Expected NEO applicable to such Grid System Event Interval *divided by* (ii) six (6).

"**Event Day**" has the meaning set forth in Appendix G (*Determination of Expected & Deemed NEO*).

"**Event Interval**" means any Time Interval (without double counting) in which (i) the Facility has the capability (including technically, subject to any Derating or Outage, and with sufficient solar irradiation) to make Expected NEO for such Time Interval available for delivery at the Interconnection Point, (ii) Resource Provider has provided PREPA with written notice of such capability in accordance with Section 6.2 (*Availability Estimates*), and (iii) a PREPA Risk Event results in the inability or failure of PREPA to take a quantity of net electrical energy made available by Resource Provider at, but not delivered to, the Interconnection Point, up to the Expected NEO for such Time Interval.

"**Expected Losses**" means (i) incidence angle irradiance losses, (ii) irradiance losses due to module soiling, (iii) conversion losses due to irradiance level, (iv) conversion losses due to cell temperature above STP efficiency, (v) conversion losses due to module quality, (vi) conversion losses due to light induced module degradation, (vii) conversion losses due to mismatched modules and strings, (viii) DC ohmic wiring and combiner losses, (ix) DC to AC inverter conversion losses, (x) step-up field transformer losses, (xi) inverter nighttime power consumption, (xii) AC ohmic wiring field collection losses, (xiii) collector substation losses, (xiv) battery in charger losses, (xv) battery global losses, (xvi) battery out inverter losses, (xvii) Facility and auxiliaries power consumption, and (xviii) Interconnection Facilities and main step-up transformer losses.

"**Expected NEO**" has the meaning set forth in Appendix G (*Determination of Expected & Deemed NEO*).

"**Exceptions**" means liability arising from:

a. Resource Provider's fraud, willful misconduct or gross negligence;

b. Resource Provider's obligation to indemnify the other Party's Indemnitees under Section 13.1 (*General*) for personal injury or death of a third party;

c. Resource Provider's indemnity obligation under Section 13.3 (*Claims Arising From Environmental Harm*); or

d. Resource Provider's obligation to pay/provide credit for Liquidated Damages under this Agreement.

"**Expedited Permitting Process**" has the meaning set forth in Title V of PROMESA.

"**Facility**" means the energy production facility known as Juncos PV, located at the Site and capable of making Generating Capacity up to the Maximum Dispatch Limit available at the Interconnection Point, and includes all of the Resource Provider Interconnection Facilities and any energy storage system, capacity expansion or other upgrades to such energy system from time to time.

"**Facility Availability**" has the meaning set forth in Section 3 (*Facility Availability*) of Appendix G (*Determination of Expected & Deemed NEO*).

"**Facility Construction Contract**" means the primary contract for the construction of the Facility entered into between Resource Provider and one or more contractors prior to the Construction Start Date.

"**Facility Performance Model**" has the meaning set forth in Appendix G (*Determination of Expected & Deemed NEO*).

"**Facility Study**" means, for each proposal selected by PREPA for phase III evaluation and contract negotiation of proposals under the RFP, an engineering study to determine required additions or modifications to the Grid System, including the cost and scheduled completion date for such additions or modifications, required to provide grid support services needed to integrate the Facility into the Grid System.

"**Feasibility Study**" means, for each proposal selected by PREPA for phase II project committee review and recommendation under the RFP, a study of the feasibility of such proposal, including the interconnection of the Project with the Grid System.

"**Financing Documents**" means any and all loan agreements, notes, bonds, indentures, security agreements, direct agreements, assignments and acknowledgements, registration or disclosure statements, subordination agreements, mortgages, deeds of trust, credit agreements, intercreditor agreements, note or bond purchase agreements, hedging agreements, participation agreements other documents entered into by the Resource Provider relating to the financing of the Project and/or the refinancing thereof provided by any Project Lender, including any modifications, supplements, extensions, renewals and replacements of any such financing or refinancing.

"**FOMB**" means the Financial Oversight & Management Board for Puerto Rico, or any successor thereto.

"**FOMB Certification**" has the meaning set forth paragraph (a) of Section 16.2 (*Certain Material Breaches*).

"**Force Majeure**" has the meaning set forth in Article 14 (*Force Majeure*).

"**Force Majeure Event Interval**" means, for any Agreement Year, an Event Interval in which a PREPA Risk Event occurs pursuant to paragraph (a) of such definition.

"**Force Majeure Waiting Period**" means, for each Agreement Year, three hundred sixty (360) hours.

"**GAAP**" means Generally Accepted Accounting Principles, as promulgated by the Financial Accounting Standards Board or its predecessors or successors.

"**Generating Capacity**" means, at any given time, the instantaneous net AC electrical generating power output of the photovoltaic solar field (expressed in kW and exclusive of battery power output), which the Facility can make available at the Interconnection Point as forecasted by the Facility Performance Model (and verified by the Performance Tests), based upon the prevailing Ambient Conditions at such time net of Expected Losses.

"**GK**" has the meaning set forth in item (3), paragraph (b) of Section 2 (*Facility Performance Model*) of Appendix G (*Determination of Expected & Deemed NEO*).

"**Governmental Authority**" means any court, tribunal or governmental or quasi-governmental body, regulatory body, agency, authority, office, department, commission, board, bureau, public corporation, municipality or instrumentality, in each case at any federal, state, Commonwealth of Puerto Rico, county, municipal, or local level, having jurisdiction over a Party, the Facility or the Site, including FOMB and PREB, but excluding PREPA.

"**Green Credits**" means "renewable energy certificates" and "environmental and social attributes," as defined in the Green Energy Incentives Act of Puerto Rico (Act No. 83 of July 19, 2010), renewable energy credits, environmental attributes, emissions reductions, offsets, allowances or benefits, however entitled (or payments in lieu thereof), whether monetary, fiscal or in the form of physical property, which are now or in the future may be available to the Facility, as a facility that generates or produces electricity by means of "green energy" (as defined in Act No. 83 of July 19, 2010), or from renewable or non-polluting resources, granted or available to Resource Provider as

the owner or operator of the Facility or otherwise, in each case, from any Governmental Authority or third party, including renewable energy credits established pursuant to Act No. 83 of July 19, 2010, but shall exclude (i) any Tax Credits and grants in lieu thereof, (ii) other tax incentives, benefits or credits, including those available under Puerto Rico Act 60-2019, (iii) any accelerated depreciation, and (iv) proceeds from (i) through (iii), in each case, associated with the Facility or otherwise available to Resource Provider, each of which (i) through (iii) Resource Provider expressly reserves.

"**Grid System**" means the interconnected network of high voltage transmission lines, low voltage distribution lines, and associated electric substations owned by PREPA (including the PREPA Interconnection Facilities and System Upgrades, in each case upon their completion), located on PREPA's side of the Interconnection Point, which transmit and distribute electricity to customers in the Commonwealth of Puerto Rico.

"**Grid System Event**" means any condition in the Grid System or act or omission of PREPA that prevents or impairs PREPA from receiving and taking delivery of a quantity of energy made available by Resource Provider at the Interconnection Point, including (a) any curtailment, reduction, or disconnection instructions issued by PREPA in a Dispatch Notice issued by PREPA (or otherwise) for any reason, including as a result of low demand for electricity in the Commonwealth of Puerto Rico and including any instruction from T&D Operator preventing Resource Provider from reconnecting, or (b) any condition in the Grid System (including an Emergency affecting such system) that causes or may cause physical damage to the Facility or life endangerment, and any damage to or the tripping of protection relays installed in the Facility with settings as instructed by PREPA, but in each case excluding any such event resulting from Force Majeure affecting Resource Provider or a PREPA Risk Event pursuant to paragraphs (a), (c), (d), or (e) of such definition.

"**Grid System Event Interval**" means, for any Agreement Year, an Event Interval in which a PREPA Risk Event occurs pursuant to paragraph (b) of such definition.

"**Grid System Waiting Period**" means, for each Agreement Year, eighty (80) hours.

"**Guaranteed Commercial Operation Date**" means the second (2nd) anniversary of the Closing Date, as adjusted in accordance with Section 3.4 (*Extensions of Time*).

"**Guaranteed Construction Start Date**" means the date for Construction Start that corresponds to the time for completion/occurrence in the Milestone Schedule, as adjusted in accordance with Section 3.4 (*Extensions of Time*).

"**hour**" means each period of sixty (60) minutes, with the first such period for any Day beginning at 00:00 (Puerto Rico Time) and including each sixty (60)-minute interval thereafter.

"**IF Completion Notice**" has the meaning set forth in paragraph (c) of Section 4.4 (*Pre-Synchronization Testing*).

"**Indemnitees**" means, with respect to either PREPA or Resource Provider, (i) permitted successors and assigns, and (ii) as to both the Party and its permitted successors and assigns, their respective lenders, Affiliates, directors, officers, equity-holders, partners, employees, representatives, agents and contractors, and each of their respective heirs, successors and assigns.

"**Indemnifying Party**" has the meaning set forth in Section 13.1 (*General*).

"**Independent Expert**" means an engineering consulting firm, jointly appointed and engaged by the Parties.

"**Initial Performance Tests**" has the meaning set forth in paragraph (a) of Section 5.3 (*Initial Performance Tests*).

"**Initial Synchronization**" means the first time that Resource Provider synchronizes the Facility with the Grid System.

"**Initial Synchronization Date**" means the date on which Initial Synchronization occurs.

"**Insolvency Event**" means any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition, liquidation or similar proceeding with respect to Resource Provider or any of its respective properties or creditors, or any action taken by any trustee or receiver of Resource Provider or by any court in any such proceeding.

"**Interconnection Agreement**" means the interconnection agreement between Resource Provider and PREPA in form and substance reasonably acceptable to Resource Provider, which sets out the terms upon which the Facility will connect and remain connected to the Grid System.

"**Interconnection Cost Recovery Component**" has the meaning set forth in Section 3 (*Base Rate*) of Appendix F (*Compensation*).

"**Interconnection Facilities**" means the PREPA Interconnection Facilities and the Resource Provider Interconnection Facilities.

"**Interconnection Point**" means the physical point, located at the PREPA transmission center or substation, at which the Facility connects to the Grid System, as specified in Section 1 (*Description of the Interconnection Facilities*) of Appendix I (*Interconnection Description and Specifications*).

"**Interest**" means the compensation for the accrual of monetary obligations under this Agreement computed Monthly and prorated daily from the time each such obligation becomes past due based on an annual interest rate equal to the lesser of: (i) (a) for payments due during the first five (5) Days after such a payment becomes due, in each case, the Prime Commercial Lending Rate as set by Citibank NA., New York, New York or any other bank as mutually agreed by the Parties or any other equivalent rate as mutually agreed by the Parties (for the purposes of this definition, the "**Prime Rate**"), and (b) for payments due beginning on the sixth (6th) Day after such a payment is due, the Prime Rate plus five percent (5%); and (ii) the maximum rate allowable under Article 1169 of the Puerto Rico Civil Code or successor statute applicable to past due amounts. The provisions of this definition shall not be construed to limit the applicable rate of interest on the project debt.

"**kW**" means kilowatt.

"**kWh**" means kilowatt hour.

"**Legal Challenge**" means any action, suit or proceeding brought or commenced by a third party (excluding any Affiliate of a Party) seeking to (i) contest the validity of this Agreement, any Permits or the development, construction, or operation of the Facility or PREPA Interconnection Facilities which materially impairs the ability of the Parties to perform their respective obligations hereunder or delays the development, financing, construction or operation of the Facility or PREPA

Interconnection Facilities, or (ii) avoid, enjoin, rescind, set aside, stay, subordinate, or otherwise alter or impair, the RFP, this Agreement or any of the transactions contemplated hereby in any way.

"**Liquidated Damages**" means, collectively, Capacity Shortfall Liquidated Damages and Resource Provider Delay Liquidated Damages.

"**Long-Stop Date**" means the earlier to occur of (i) the first date on which accrued Resource Provider Delay Liquidated Damages (determined without reference to the operation of paragraph (c) of Section 3.5 (*Delay Liquidated Damages*)) exceed the Security Amount, and (ii) the one hundred eightieth (180th) Day after the Guaranteed Commercial Operation Date.

"**m^2**" means square meter.

"**Main Meters**" has the meaning set forth in Section 8.1 (*Meter Ownership & Maintenance*).

"**Malware**" means computer software, code or instructions that: (i) intentionally, and with malice intent by a third party, adversely affect the operation, security or integrity of a computing, telecommunications or other digital operating or processing system or environment, including without limitation, other programs, data, databases, computer libraries and computer and communications equipment, by altering, destroying, disrupting or inhibiting such operation, security or integrity; (ii) without functional purpose, self-replicate written manual intervention; (iii) purport to perform a useful function but which actually performs either a destructive or harmful function, or perform no useful function other than utilize substantial computer, telecommunications or memory resources with the intent of causing harm; or (iv) without authorization collect and/or transmit to third parties any information or data, including such software, code or instructions commonly known as viruses, trojans, logic bombs, worms, adware and spyware.

"**Maximum Dispatch Limit**" means 100,000 kW.

"**Milestone**" means any of the milestone events set out in the column captioned "*Milestone*" in the table set forth in the Milestone Schedule.

"**Milestone Schedule**" means the schedule set out in Appendix D (*Milestone Schedule*).

"**Minimum Acceptance Capacity**" has the meaning set forth in item (2), paragraph (b) of Section 5.3 (*Initial Performance Tests*).

"**Modification Limit**" means one million ninety-eight thousand five-hundred fifteen dollars ($1,098,515), representing one percent (1.0%) of Resource Provider's total estimated cost for the construction, testing, and commissioning of the Facility as of the Agreement Date.

"**Month**" means a calendar month, which shall begin at 00:00 on the first Day of such calendar month and end at 00:00 on the first Day of the next calendar month.

"**Monthly Payment**" has the meaning set forth in Section 1 (*Monthly Payment*) of Appendix F (*Compensation*).

"**MTRs**" means the minimum technical requirements applicable to the Facility for connection of the Facility to the Grid System set forth in Appendix L (*Minimum Technical Requirements)*, as PREPA may modify or replace from time to time after the Closing Date in accordance with Section 4.2 (*Modifications*).

"**MW**" means megawatt.

"**MWh**" means megawatt hour.

"**Nameplate Capacity**" means the rated AC electrical generating capacity of the photovoltaic solar field (expressed in kW and exclusive of battery power output).

"**Negotiation Period**" has the meaning set forth in paragraph (a) of Section 21.3 (*Negotiation*).

"**Net Electrical Output**" or "**NEO**" means, for any period of time, all of the net electrical energy output of the Facility (expressed in kWh) during such period, as measured at the Interconnection Point in accordance with Section 8.4 (*Meter Reading*).

"**Net Power Output**" means, at any given time, the instantaneous net AC electrical power output (expressed in kW) made available from the Facility at the Interconnection Point.

"**Non-Affected Party**" has the meaning set forth in paragraph (d) of Section 14.1 (*General*).

"**Non-Refundable Fee**" means a non-refundable fee determined by PREPA and initially notified to Resource Provider prior to the Agreement Date as $462,260.30, which (i) partially offsets PREPA's cost to conduct a System Impact Study and a Facility Study of all proposals that receive a Best Interest Determination under the RFP process, including the proposal submitted by Resource Provider in response to the RFP, and (ii) shall be determined by dividing the total cost of such studies proportionally among all such proposals based on the installed kW capacity of such proposals.

"**Non-Scheduled Derating**" means any Derating other than a Scheduled Derating.

"**Non-Scheduled Outage**" means any Outage other than a Scheduled Outage.

"**OMA**" means the Operation and Maintenance Agreement, dated June 22, 2020, among PREPA, P3A, LUMA Energy LLC and LUMA Energy Servco LLC.

"**Operating Characteristics**" has the meaning set forth in Appendix K (*Operating Characteristics*).

"**Operating Procedures**" means the procedures for the Facility's operation and integration into the Grid System, as set out in Appendix M (*Operating Procedures*), as amended from time to time.

"**Opt-Out Date**" means the date that occurs one hundred sixty-five (165) Days after the Resource Provider Execution Date.

"**Other Minimum Acceptance Criteria**" means, collectively, the MTRs, Operating Characteristics, and any other criteria set out in the Testing Protocol and Operating Procedures.

"**Outage**" means, for any Time Interval, Resource Provider's failure or inability to make Net Electrical Output available at the Interconnection Point for any reason.

"**P3A**" means the Public-Private Partnership Authority of Puerto Rico or any successor thereto.

"**P50 Energy Yield**" means, for each Agreement Year, an estimate of the Net Electrical Output, expressed as kWh, that the Facility can deliver to the Interconnection Point with a probability of

occurrence of fifty percent (50%) for such year, as set out in the Energy Yield Assessment Report, based on forecasted Ambient Conditions and the assumption that the Facility (i) after the first (1st) Agreement Year, degrades at a rate of four-tenths of one percent (0.4%) and (ii) will make the Contract Capacity fully available at the Interconnection Point during such year.

"**Party**" and "**Parties**" has the meaning set forth in the preamble of this Agreement.

"**Payment Guarantee**" means a completed version of a guarantee in the form set forth in Appendix BB (*Form of Payment Guarantee*), duly-executed by an authorized representative of the Permitted Guarantor.

"**Payment Guarantee Cross-Default**" means, during the Term (as defined in Section 1.1 (*General*) of the Payment Guarantee), the occurrence of the following two events: (i) a breach of any of the representations made by the Permitted Guarantor under Section 2.1 (*Representations*), or any of the obligations of the Permitted Guarantor arising out of Section 2.2 (*Covenants*), of the Payment Guarantee, and (ii) Resource Provider's failure to rectify such breach within sixty (60) Days of the occurrence of such breach, including through the delivery of a replacement Payment Guarantee executed by an Affiliate of Resource Provider that satisfies the "Unrestricted Net Worth Requirement" (as defined in Section 1.1 (*General*) of the Payment Guarantee).

"**Pending Permit Delay**" means, for any Permit for which Resource Provider has duly and properly applied and has exercised / continues to exercise diligent efforts to obtain, the denial of or delay in granting such Permit by the relevant Governmental Authority for any reason, other than Resource Provider's failure to comply with the requirements for the issuance of such Permit, which materially impairs the ability of Resource Provider to achieve Commercial Operation or otherwise perform its obligations under this Agreement.

"**Performance Guarantee**" means the guarantee set forth in Appendix Q (*Performance Guarantee*).

"**Performance Security**" has the meaning set forth in paragraph (a) of Section 2.5 (*Performance Security*).

"**Performance Tests**" means tests which (i) establish the Contract Capacity and confirm that the Generating Capacity can meet the Maximum Dispatch Limit under appropriate Ambient Conditions and otherwise complies with this Agreement, (ii) verify the relation between the Facility Performance Model and the initial power curves established upon Commercial Operation, including whether the actual NEO for Ambient Conditions during such tests equals the Expected NEO within an applicable margin of error, assuming full Facility Availability, and (iii) verify that the Facility complies with each of the Other Minimum Acceptance Criteria, in each case in accordance with the Testing Protocol.

"**Permits**" means all permits, licenses, approvals, authorizations, consents, variances, or waivers issued by a Governmental Authority with jurisdiction over Resource Provider and the Facility which Resource Provider or its contractors will require for the development, construction, ownership, start-up, operation, maintenance, or financing of the Facility, including those set out in Appendix E (*Resource Provider Permits*).

"**Permitted Guarantor**" means any Person that (i) directly or indirectly holds an ownership interest of at least twenty-five percent (25%) in Resource Provider and (ii) has an Unrestricted Net Worth of at least seventy-five million dollars ($75,000,000).

"**Permitted Derating**" means, for any Time Interval, a Derating that occurs as a result of a Scheduled Derating, Force Majeure affecting Resource Provider or a PREPA Risk Event.

"**Permitted Outage**" means, for any Time Interval, an Outage that occurs as a result of a Scheduled Outage, Force Majeure affecting Resource Provider or a PREPA Risk Event.

"**Person**" means an individual, partnership, corporation, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, or a government or agency or political subdivision thereof.

"**Post-Resource Provider Execution Date Environmental Costs**" means any Environmental Costs resulting from measures required to comply with a Change-of-Law.

"**Post-Resource Provider Execution Date Taxes**" means any additional Taxes resulting from measures required to comply with a Change-of-Law.

"**Pre-Operation Period**" means the period of time from (and including) the Closing Date up to (but excluding) the Commercial Operation Date.

"**PREB**" means the Puerto Rico Energy Bureau or any successor thereto.

"**PREB Extension Approval**" has the meaning given in paragraph (b) of Section 3.4 (*Extensions of Time*).

"**PREPA**" has the meaning set forth in the preamble of this Agreement.

"**PREPA Bankruptcy**" means the proceeding commenced pursuant to the Puerto Rico Oversight, Management, and Economic Stability Act (PROMESA), pending as of the Agreement Date in the PROMESA Court, Case No. 17-4780.

"**PREPA Delay Liquidated Damages**" has the meaning set forth in paragraph (a) of Section 3.5 (*Delay Liquidated Damages*).

"**PREPA Design Criteria Documents**" or "**DCDs**" has the meaning set forth in item (1), paragraph (a) of Section 2 (*Interconnection Point Specifications*) of Appendix I (*Interconnection Description and Specifications*).

"**PREPA Interconnection and System Upgrade Cost**" means PREPA's estimate of the cost of the PREPA Interconnection Facilities Works, as initially notified by PREPA to Resource Provider in accordance with the Facility Study and the System Impact Study prior to the Agreement Date and to be finalized in accordance with the Interconnection Agreement.

"**PREPA Interconnection Facilities**" means all equipment and facilities (including the Main Meters) located on PREPA's side of the Interconnection Point, constructed and installed or upgraded for the purpose of interconnecting the Facility with the remainder of the Grid System, as further described in Appendix I (*Interconnection Description and Specifications*) and not including communication, control, or protection equipment for which this Agreement assigns responsibility to Resource Provider.

"**PREPA Interconnection Facilities Works**" has the meaning set forth in paragraph (b) of Section 3.2 (*Resource Provider's Development Obligations*).

"**PREPA Risk Event**" means any of the following events:

a. Force Majeure or a Legal Challenge in each case affecting PREPA;

b. a Grid System Event;

c. a breach, delay, or failure by PREPA in performing any material obligation under this Agreement or the Interconnection Agreement;

d. following any modifications to the MTRs, DCDs or the requirements for protective devices in the Interconnection Facilities under Section 4.2 (*Modifications*), the duration of the delay caused by, or the Facility's unavailability resulting from, the period reasonably required by Resource Provider to carry out changes to the Facility to comply with such modifications; or

e. to the extent not described in paragraph (a) of this definition, any delay in the completion of the PREPA Interconnection Facilities Works beyond the date identified as the time for completion/occurrence of the Milestone for Initial Synchronization in the table set forth in Appendix D (*Milestone Schedule*), as adjusted in accordance with Section 3.4 (*Extensions of Time*) by either Party;

which, in each case, did not result from an act or omission of Resource Provider, Force Majeure affecting Resource Provider or the circumstances described in Section 7.2 (*Curtailment for Breach*).

"**Product**" means all Net Electrical Output, Ancillary Services and Green Credits made available from or otherwise derived in connection with the operation of the Facility.

"**Project**" has the meaning set forth in Recital B of the preamble of this Agreement.

"**Project Lenders**" means any Person providing, arranging, insuring or guaranteeing all or part of the construction or permanent financing, refinancing or other funding, including any tax equity financing, for the Facility, the PREPA Interconnection Facilities, the System Upgrades, or any portion thereof, or any agent, trustee or other Person representing or acting on behalf of any such Person.

"**PROMESA**" means Public Law No: 114-187 (June 30, 2016), otherwise known as the Puerto Rico Oversight, Management, and Economic Stability Act.

"**PROMESA Court**" means the United States District Court for the District of Puerto Rico.

"**Proposed Design**" has the meaning set forth in paragraph (b) of Section 4.1 (*Proposed Design*).

"**Proposed Initial Synchronization Date**" has the meaning set forth in Section 5.1 (*Scheduling Synchronization*).

"**Prudent Utility Practices**" means the spectrum of possible practices, methods, conduct, and actions (including the practices, methods, conduct, and actions engaged in or approved by a significant portion of the power industry in the United States) that, at a particular time, in the exercise of reasonable discretion at the time a decision was made, could have been expected to

accomplish the desired result in a manner consistent with Applicable Laws and Applicable Standards for reliability, safety and economy.

"**PSS/E**" means power system simulation for engineering, a commercial software product developed by Siemens PTI Inc.

"**Puerto Rico Controller**" means the Office of the Controller for the Commonwealth of Puerto Rico.

"**Qualified Bank**" means a national bank, national association, commercial bank or other financial institution organized under the laws of the United States or a political subdivision thereof or validly existing in the country of its organization and registered to do business in the United States, having a branch located within Puerto Rico or the contiguous United States, in each case that has a long-term issuer rating of at least (i) if headquartered within Puerto Rico, then "B+" by Standard & Poor's Ratings Services, "B1" by Moody's Investors Services Inc., or "B+" by Fitch Ratings Inc. or (ii) if headquartered outside of Puerto Rico, then "A-" by Standard & Poor's Ratings Services, "A3" by Moody's Investors Services Inc., or "A-" by Fitch Ratings Inc., or in each case if the relevant rating agencies cease to engage in business or rate the obligations in question, then an equivalent rating from another internationally recognized rating agency selected by Resource Provider with the written consent of PREPA; provided that, if such financial institution's ratings satisfy such minimum ratings, no other credit rating agency shall have placed such financial institution on credit watch with negative implications.

"**Qualified Operator**" means Resource Provider, an Affiliate of Resource Provider or a Sponsor, or, if a third-party contractor of Resource Provider or its Affiliate, an entity with at least two (2) years' experience operating facilities of a similar type and size as the Facility or another qualified and experienced operator reasonably acceptable to PREPA.

"**Qualified Sponsor**" has the meaning set forth in item (3), paragraph (a) of Section 19.4 (*Restrictions on Equity Transfers*).

"**Qualified Transferee**" has the meaning set forth in item (3), paragraph (a) of Section 19.4 (*Restrictions on Equity Transfers*).

"**Receiving Party**" has the meaning set forth in paragraph (a) of Section 12.9 (*Confidentiality*).

"**Reference Pyranometers**" has the meaning set forth in item (3), paragraph (b) of Section 2 (*Facility Performance Model*) of Appendix G (*Determination of Expected & Deemed NEO*).

"**Registry**" has the meaning set forth in paragraph (a) of Section 9.5 (*Green Credits*).

"**Resource Provider**" has the meaning set forth in the preamble of this Agreement.

"**Resource Provider Delay Liquidated Damages**" or "**RPDLD**" means the amount per Day of delay set forth in the column captioned "*Resource Provider Delay Liquidated Damages*", which corresponds to the Milestone captioned "*Commercial Operation*", expressed as $ per Day, in the Milestone Schedule.

"**Resource Provider Execution Date**" means the date on which Resource Provider executes and delivers this Agreement as set forth immediately below Resource Provider's signature line.

"**Resource Provider Interconnection Facilities**" means all equipment and facilities (including Resource Provider's meters and metering equipment), located on Resource Provider's side of the Interconnection Point, constructed and installed for the purpose of interconnecting the Facility with the Grid System, as further described in Appendix I (*Interconnection Description and Specifications*).

"**Resource Provider Liability Cap**" means twenty-seven million four hundred sixty-two thousand eight hundred sixty-eight dollars ($27,462,868), representing twenty-five percent (25%) of the Resource Provider's estimated Project costs.

"**Restricted Person**" means any Person that has been, or that has any Affiliate that has been, within the past ten (10) years: (i) charged with, or convicted of, money laundering, drug trafficking, terrorist-related activities or other money laundering predicate crimes under any Applicable Law, (ii) assessed civil penalties under any such Applicable Laws; or (iii) had any of its funds seized or forfeited in an action under any such Applicable Laws.

"**Revitalization Coordinator**" has the meaning set forth in Title V of PROMESA.

"**RFP**" has the meaning set forth in Recital A in the preamble of this Agreement.

"**Rolling Period**" has the meaning set forth in Appendix Q (*Performance Guarantee*).

"**RTU**" has the meaning set forth in paragraph (a) of Section 6.7 (*Communication*).

"**SCADA**" means the Facility's supervisory control and data acquisition system, which may include equipment installed by Resource Provider in accordance with PREPA requirements.

"**Scheduled Expiration Date**" has the meaning set forth in paragraph (b) of Section 2.5 (*Performance Security*).

"**Scheduled Derating**" means a planned Derating that Resource Provider has coordinated in advance with PREPA with a mutually agreed commencement date, time, and duration, and set out in the Scheduled Maintenance Program pursuant to Article 6 (*Operation Of The Facility*).

"**Scheduled Maintenance Program**" has the meaning set forth in paragraph (b) of Section 6.3 (*Scheduled Maintenance*).

"**Scheduled Outage**" means a planned Outage that Resource Provider has coordinated in advance with PREPA with a mutually agreed commencement and duration, and set out in the Scheduled Maintenance Program pursuant to Article 6 (*Operation Of The Facility*).

"**Security Amount**" means (i) prior to the Commercial Operation Date, fifty United States Dollars ($50) per kW *multiplied by* the Nameplate Capacity, or such higher amount as agreed in accordance with paragraph (c) of Section 3.5 (*Delay Liquidated Damages*); and (ii) on or after the Commercial Operation Date, seventy United States Dollars ($70) per kW *multiplied by* the Nameplate Capacity.

"**Service of Process Agent**" has the meaning set forth in Section 1.1 (*General*) of the Payment Guarantee.

"**Shareholder**" means, for any time of determination, any direct holder of capital stock in Resource Provider at such time.

"**Shortfall Credit**" or "**SC**" has the meaning set forth in Appendix Q (*Performance Guarantee*).

"**Site**" means the approximately six hundred eighty-eight (688) acres of land located in Juncos and Las Piedras, Puerto Rico, as further described in Appendix H (*Facility Site*).

"**Sponsor**" means, for each Shareholder of, or Person holding a partnership or membership interest in, Resource Provider on the Agreement Date, the ultimate parent company of such Shareholder or Person.

"**Subject Time Extension Claim**" has the meaning given in paragraph (b) of Section 3.4 (*Extensions of Time*).

"**Substantial Completion Notice**" has the meaning set forth in paragraph (f) of Section 4.4 (*Pre-Synchronization Testing*).

"**Supply Period**" means the period that commences on the Commercial Operation Date and expires on the twenty-fifth (25th) anniversary thereof.

"**System Impact Study**" means, for each proposal selected by PREPA for the phase III evaluation and contract negotiation of proposals under the RFP, a study that will, at a minimum, (i) determine the power capabilities of the major interconnection equipment required to complete the Interconnection Facilities, (ii) specify the maximum fault currents necessary to specify short circuit duty and interrupting ratings for the electrical equipment, (iii) approve or disapprove generator step-up (GSU) transformer impedance and reactive compensation equipment for proper control of voltage and reactive power flow, (iv) quantify the impact to the Grid System and the actions required to mitigate such impact, and (v) specify the Proposed Design requirements for the Facility and the PREPA Interconnection Facilities.

"**System Upgrades**" means the additions or modifications to the Grid System needed to integrate the Facility into the Grid System, as set out in the Facility Study and the System Impact Study.

"**T&D Operator**" means LUMA Energy, LLC, or any future operator of Puerto Rico's electric power transmission and distribution system and any of LUMA Energy, LLC's or such operator's Affiliates, including PREPA's assignee under the circumstances described in Section 19.2 (*PREPA's Right to Assign*).

"**Tax Credits**" means the production or investment tax credits (including any grants or payment in lieu thereof) and any tax deductions or other benefits under the Internal Revenue Code or other Applicable Law available as a result of the ownership and operation of the Facility or the output generated by the Facility (including, without limitation, tax credits (including any grants or payments in lieu thereof) and accelerated and/or bonus depreciation).

"**Taxes**" means any and all taxes, fees or other charges of any nature whatsoever, including tariffs, duties, income taxes and repatriation (tollgate) taxes, imposed or assessed by a Governmental Authority responsible for implementing Applicable Law relating to tax on or as a result of the construction, ownership or operations of the Facility.

"**Technical Dispute**" has the meaning set forth in paragraph (b) of Section 21.3 (*Negotiation*).

"**Technical Input**" has the meaning set forth in paragraph (c) of Section 4.1 (*Proposed Design*).

"**Technical Recommendation**" has the meaning set forth in paragraph (a) of Section 21.4 (*Technical Recommendation*).

"**Term**" has the meaning set forth in Section 2.2 (*Initial Term*).

"**Termination Balance**" has the meaning set forth in paragraph (b) of Section 17.2 (*Tracking Account*).

"**Termination Date**" means the date of the earliest to occur of any of the events set forth in Section 15.1 (*Termination Date*).

"**Testing Protocol**" means PREPA's standard protocols for testing and commissioning of projects similar to the Facility set forth in Appendix N (*Testing Protocol*), as amended from time to time.

"**Time Interval**" means, with respect to the six (6) consecutive, ten (10) minute periods during each hour of the twelve (12) consecutive hours between 07:00 and 19:00 of each Day during an Agreement Year, any one (1) of such periods.

"**Tracking Account**" has the meaning set forth in paragraph (a) of Section 17.2 (*Tracking Account*).

"**Transfer**" has the meaning set forth in Section 19.2 (*PREPA's Right to Assign*).

"**Tribunal**" has the meaning set forth in paragraph (a) of Section 21.5 (*Arbitration*).

"**Unrestricted Net Worth**" means, for any Person, the sum of (i) the subscribed and paid-up equity (including additional paid-in capital), and (ii) the Unrestricted Retained Earnings, in each case of such Person.

"**Unrestricted Retained Earnings**" means, for any Person, the amount of accumulated profits and gains realized out of the normal and continuous operations of such Person after deducting distributions to stockholders and transfers to capital stock or other accounts, and which is (i) not appropriated by its board of such Person for corporate expansion projects or programs; (ii) not covered by a restriction for dividend declaration under a loan agreement; (iii) not required to be retained under special circumstances obtaining in such Person such as when there is a need for a special reserve for probable contingences; and (iv) not otherwise covered by any other legal restriction (which refers to any injunction, judgement, or order issued by any judicial authority) on the ability of such Person to distribute or otherwise apply its equity.

"**Wholly-Owned Affiliate**" means, with respect to a Sponsor, any Person that:

a. owns directly or indirectly one hundred percent (100%) of the issued share capital and voting rights of such Sponsor;

b. has one hundred percent (100%) of its issued share capital and voting rights owned directly or indirectly by such Sponsor; or

c. has one hundred percent (100%) of its issued share capital and voting rights owned directly or indirectly by another Person which owns directly or indirectly one hundred percent (100%) of the issued share capital and voting rights of such Sponsor.

"**Year**" means a calendar year, which shall be the twelve (12) Month period beginning 00:00 on January 1 and ending at 00:00 on the subsequent January 1.

1.2 Rules of Interpretation

The rules of interpretation listed below shall apply when interpreting this Agreement:

a. Words importing the singular also include the plural and vice versa.

b. References to natural persons or parties include any person having legal capacity.

c. References to a Person include such Person's successors and assigns; provided that with respect to a Party and its rights and obligations under this Agreement, references to a Party shall only include such Party's successors and assigns if this Agreement permits such successors and assigns.

d. Words importing one gender include the other gender.

e. The words "include" and "including" mean "including, but not limited to" and corresponding grammatical variants.

f. Except as otherwise expressly stated herein, all references in this Agreement to this Agreement (including the Appendices hereto) or to contracts, agreements, or other documents shall be deemed to mean this Agreement (including the Appendices hereto) and such contracts, agreements or other documents, as the same may be modified, supplemented, or amended from time to time.

g. Except as otherwise expressly stated herein, all references to Sections, Articles, and Appendices in this Agreement are references to the Sections, Articles, and Appendices of this Agreement.

h. Words and abbreviations not defined in this Agreement which have generally accepted technical or design, engineering, or construction industry meanings are used in this Agreement in accordance with such recognized meanings.

i. The terms "hereof," "herein," "hereto," "hereunder" and words of similar or like import, refer to this entire Agreement, together with its Appendices, and not any one particular Article, Section, Appendix, or other subdivision of this Agreement.

j. The headings contained in this Agreement are used solely for convenience and do not constitute a part of the Agreement between the Parties hereto, nor should they be used to aid in any manner in the construction of this Agreement.

k. References to PREPA in the definitions of Dispatch Notice and Grid System Event and in Section 3.6 (*Exchange of Information),* Section 3.7 (*Cooperation*); Article 4 (*Facility Design Requirements*), Article 5 (*Synchronization, Testing & Completion*), Article 6 (*Operation Of The Facility*), Article 7 (*Dispatching*), Section 8.5 (*Data*), Section 9.1 (*General*), and Section 9.4 (*Ancillary Services*) include its dispatching center(s) and the T&D Operator, as applicable.

l. Terms used in the present tense may be interpreted as referring to the past tense and vice versa.

m. Nothing contained in this Agreement shall be construed or interpreted to limit in any way PREB's power and authority under the Laws of the Commonwealth of Puerto Rico.

2. TERM, EFFECTIVENESS & PERFORMANCE SECURITY

2.1 Signing Conditions

The Parties shall complete their respective obligations set out in Appendix B (*PREPA Signing Conditions*) no later than the Agreement Date. Resource Provider recognizes that submittal of the certifications and documents set out in Appendix B (*PREPA Signing Conditions*) constitute an essential condition of this Agreement.

2.2 Initial Term

The term of this Agreement (the "**Term**") shall begin with the Agreement Date and continue until the expiration of the Supply Period, unless extended or earlier terminated in accordance with the terms hereof. If the Parties extend the Term, then the word "Term" shall thereafter be deemed to mean the original Term as so extended.

2.3 Initial Effectiveness & Closing Date

a. The rights and obligations of the Parties under Article 1 (*Definitions & Interpretation*), this Article 2, Section 3.6 (*Exchange of Information*), Section 3.7 (*Cooperation*), Article 11 (*Liability*), Article 12 (*Representations, Warranties, & Covenants*), Article 14 (*Force Majeure*), Article 15 (*Termination*), Article 19 (*Assignment & Transfer*), Article 20 (*Notices*), Article 21 (*Dispute Resolution*) and Article 22 (*Miscellaneous Provisions*), shall enter into full force and effect on the Agreement Date (collectively, the "**Agreement Date Obligations**"). PREPA shall notify Resource Provider of the Agreement Date within five (5) Business Days after PREPA executes this Agreement. Subject to the foregoing rights and obligations that become effective on the Agreement Date, the remaining provisions of this Agreement shall become effective on the date (the "**Closing Date**") as of which the Parties jointly sign a certificate, in the form set forth in Appendix T (*Form of Conditions Precedent Certificate*), confirming the satisfaction or waiver of each of the conditions precedent set out in Appendix C (*Conditions Precedent*) (the "**Conditions Precedent**"). The Parties shall issue such certificate within five (5) Business Days after the occurrence of such satisfaction or waiver. Each Party shall use its commercially reasonable efforts to satisfy their respective Conditions Precedent (other than the Condition Precedent set forth in paragraph (d) of Part 3 of Appendix C (*Conditions Precedent*)) and cause the Closing Date to occur no later than one hundred eighty (180) Days after PREPA executes this Agreement.

b. If either (i) the Closing Date does not occur for any reason within two hundred forty (240) Days after the Agreement Date, or (ii) PREPA notifies Resource Provider of its intention either not to (A) accept the Best and Final Offer made by Resource Provider, or (B) issue a Best Interests Determination for the Project, in each case for any reason whatsoever, then, without limiting Section 15.2 (*No Discharge of Obligations*), this Agreement shall automatically terminate at midnight on such Day provided that upon termination of this Agreement in accordance with this paragraph (b) of this Section 2.3, (i) neither Party shall

incur any liability to the other Party, and (ii) PREPA shall return the Bid Security to Resource Provider unless Resource Provider has breached any of the Agreement Date Obligations in a material way and failed to cure such breach within ten (10) Business Days of the occurrence of such breach, in which case PREPA shall have the right to draw on the full face amount of the Bid Security.

c. If PREPA has not issued to Resource Provider a Best Interests Determination for the Project by the Opt-Out Date, at any time thereafter prior to the date that PREPA issues to Resource Provider a Best Interests Determination for the Project, and without limiting paragraph (b) of this Section 2.3, Resource Provider may terminate this Agreement with immediate effect by notice to PREPA. Without limiting Section 15.2 (*No Discharge of Obligations*), if Resource Provider terminates this Agreement in accordance with this paragraph (c) of this Section 2.3, (i) neither Party shall incur any liability to the other Party, and (ii) PREPA shall return the Bid Security to Resource Provider unless Resource Provider has breached any of the Agreement Date Obligations in a material way and failed to cure such breach within ten (10) Business Days of the occurrence of such breach, in which case PREPA shall have the right to draw on the full face amount of the Bid Security.

2.4 Extension

The Parties may agree to extend the Term of this Agreement, with approval from PREB, for up to two (2) consecutive periods of five (5) Agreement Years each, following the expiration of the initial Supply Period. Either Party may notify the other of its desire to extend the Term in writing as provided for under this Section 2.4 not less than eighteen (18) Months prior to the expiration of the initial Supply Period or extended Supply Period, as the case may be. During any extension, all provisions contained herein shall remain in effect unless otherwise agreed in writing.

2.5 Performance Security

a. To secure the due, proper, timely and full performance of Resource Provider's obligations under this Agreement, Resource Provider shall provide to PREPA as a condition precedent to the Closing Date, at Resource Provider's sole expense, one or more on-first-demand, irrevocable standby letters of credit issued by a Qualified Bank substantially in the form set forth in Appendix W (*Form of Performance Security*) (or cash collateral or other on-first-demand, irrevocable security acceptable to PREPA in its sole discretion) in an amount equal to the Security Amount (the "**Performance Security**").

b. Resource Provider shall (i) maintain the Performance Security in full force and effect and in accordance with this Agreement until the date that occurs sixty (60) Days after the expiration of the Term (the "**Scheduled Expiration Date**"), and (ii) together with the delivery of each Performance Security or replacement thereof, deliver a written statement dated as of the delivery date duly signed by its authorized representative certifying that the issuer of such Performance Security meets the requirements of a Qualified Bank.

c. Resource Provider shall cause a Qualified Bank to issue, reissue or replace any Performance Security (in compliance with this Section 2.5) in accordance with the following:

1. to the extent that the Performance Security will expire or cease to exist prior to the Scheduled Expiration Date, then no later than twenty-one (21) Days prior to the date of such expiration or cessation;

2. in the event that the issuer of the Performance Security ceases to meet the requirements of a Qualified Bank, then no later than twenty-eight (28) Days after the date of such cessation; and

3. if the Parties agree to increase the Maximum Dispatch Limit, then promptly upon the date of such agreement.

d. PREPA shall have the right to draw down on the Performance Security (via a full or one or more partial drawings) to satisfy any outstanding, unpaid amounts owed to PREPA hereunder or as otherwise specifically provided herein, upon the occurrence of any of the following events:

1. Construction Start Termination Event;

2. COD Termination Event;

3. Resource Provider's failure to pay Liquidated Damages when due under this Agreement;

4. Resource Provider's failure to provide replacement Performance Security in accordance with paragraph (c) of this Section 2.5; provided that (i) PREPA deposits the amount so drawn in an escrow account in a bank selected by PREPA until Resource Provider delivers the replacement Performance Security to PREPA and upon such delivery, PREPA shall cause the release of the undrawn amounts on deposit in such account to Resource Provider, and (ii) PREPA shall have the right to draw from the escrow account in accordance with paragraph (d) of this Section 2.5 and Resource Provider shall bear the costs of opening and maintaining such escrow account;

5. except as otherwise covered by items (1) to (4), paragraph (d) of this Section 2.5, a Default by Resource Provider;

6. Payment Guarantee Cross-Default; or

7. any other event that expressly entitles PREPA to draw down or claim on the Performance Security under this Agreement.

PREPA shall have the right to draw down on the entire undrawn portion of the face amount of the Performance Security upon the occurrence of (i) the events described in items (1), (2), (4) and (6), paragraph (d) of this Section 2.5 and (ii) PREPA's termination of this Agreement following the occurrence of a Default by Resource Provider.

3. PRE-OPERATION PERIOD

3.1 Consulting Technical Expert

No later than the Closing Date, PREPA shall consult with Resource Provider and appoint an engineer (the "**Consulting Technical Expert**") to review technical matters, assist in the resolution of technical issues, and monitor the works undertaken by, or on behalf of, Resource Provider (i) for the design, construction and commissioning of the Facility, and (ii) the operation of the Facility during the Supply Period. PREPA may designate different Consulting Technical Experts for

different purposes under this Agreement. The Consulting Technical Expert's staff shall include suitably qualified engineers and other professionals who possess the competence to carry out such duty. The Consulting Technical Expert shall verify that Resource Provider complies with this Agreement and conduct reviews of works performed by, or on behalf of, Resource Provider in accordance with Appendix J (*Progress Review*). Resource Provider shall consider all non-binding technical recommendations issued by the Consulting Technical Expert in order to comply with the requirements of this Agreement during the Pre-Operation Period. Whenever carrying out its duties in accordance with this Agreement, the Consulting Technical Expert shall act on behalf of PREPA. Any of the foregoing actions undertaken by or on behalf of PREPA shall not relieve Resource Provider from any responsibility it has under this Agreement.

3.2 Resource Provider's Development Obligations

a. Resource Provider shall (i) develop, design, finance, permit, construct, install, test, and commission the Facility and (ii) achieve Commercial Operation no later than the Guaranteed Commercial Operation Date, at its own cost, in accordance with the Milestone Schedule, the requirements of all Permits, the MTRs, the Approved Design, the Interconnection Agreement, Prudent Utility Practices, the other provisions of this Agreement, Applicable Law and Applicable Standards.

b. Resource Provider shall promptly pay to T&D Operator all amounts invoiced by T&D Operator in accordance with the Interconnection Agreement for the cost to develop, design, finance, permit, construct, install, test and commission the PREPA Interconnection Facilities and the System Upgrades (the "**PREPA Interconnection Facilities Works**"), up to the PREPA Interconnection and System Upgrade Cost.

c. Resource Provider shall acquire (or lease) all land parcels, easements, rights-of-way, and other real property rights required to construct, test, commission, own, operate, and repair the Facility in its own name and at its own cost, and maintain such rights until the expiration of the Term.

d. Resource Provider may, in its discretion, (i) no later than ten (10) Business Days following the occurrence of the Closing Date, submit to the Revitalization Coordinator an application for the designation of the Project as a Critical Project with an Expedited Permitting Process, and (ii) if Resource Provider elects to make such submission, exercise its reasonable efforts to obtain such designation as promptly as possible.

e. Resource Provider shall submit progress reports to PREPA on the development, construction, permitting, third-party contracting, and financing of the Facility no later than the tenth (10th) Business Day of every Month, commencing on the first Month following the Closing Date and continuing until the Commercial Operation Date. Resource Provider acknowledges that PREPA may keep PREB and other Governmental Authorities apprised of its progress.

3.3 PREPA Development Obligations

PREPA shall develop, design, permit, construct, install, test, and commission the PREPA Interconnection Facilities no later than the time for completion/occurrence of the Milestone for Initial Synchronization, as adjusted in accordance with Section 3.4 (*Extensions of Time*) by either Party, provided that Resource Provider has complied with paragraph (b) of Section 3.2 (*Resource Provider's Development Obligations*).

3.4 Extensions of Time

a. Each Party (the "**Delayed Party**") shall have the right to an extension of the time for the completion or occurrence of any Milestone or deadline expressly stated herein where (1) Force Majeure, (2) a breach, delay, or failure by the other Party in performing any material obligation under this Agreement or the Interconnection Agreement, or (3) (in the case of Resource Provider only) any other PREPA Risk Event, in each case directly delays the Delayed Party's (or, in the case of PREPA, T&D Operator's) ability to achieve such Milestone or deadline, but only to the extent that (i) such delay would not have occurred but for the occurrence of such event, (ii) the Delayed Party exercises its commercially reasonable efforts to mitigate the effects of such delay, and (iii) the Delayed Party has notified the other Party of such delay, and provided such other Party with a detailed explanation of the circumstances leading to such delay, as promptly as possible, but no later than ten (10) Business Days after the Delayed Party becomes aware of the delay.

b. If a Party exercises its right to an extension of time in accordance with paragraph (a) of this Section 3.4, then the time for completion or occurrence of such Milestone or deadline shall extend by the number of Days during which such event giving rise to such delay prevented such Party from achieving such Milestone or deadline; provided that, notwithstanding any other provision of this Agreement to the contrary, with respect to any extension of the Milestone for Commercial Operation, such extensions shall not exceed seventy-three (73) Days (being the aggregate ten percent (10%) of the period allocated for the time for completion or occurrence on the Agreement Date) without the prior written approval of PREB (which PREPA shall request upon receipt of a legally-valid claim for an extension of time under paragraph (a) of this Section 3.4 from Resource Provider (the "**Subject Time Extension Claim**") specifying the nature and extent of the expected delay (the "**PREB Extension Approval**")).

c. If PREPA has requested a PREB Extension Approval, but PREB has not yet provided such approval, PREPA hereby waives its right to (i) receive Resource Provider Delay Liquidated Damages, or (ii) terminate this Agreement for a COD Termination Event, in each case to the extent that such rights arise from the delay period set forth in the Subject Time Extension Claim, provided that Resource Provider continues to comply with its obligation under clause (ii) of paragraph (a) of this Section 3.4 to mitigate the effects of such delay.

3.5 Delay Liquidated Damages

a. To the extent that (i) any PREPA Risk Event (other than such an event under paragraph (a) of such definition) delays Resource Provider's ability to achieve Commercial Operation as determined under Section 3.4 (*Extensions of Time*) and (ii) Resource Provider achieves either Deemed Completion or Commercial Operation, then PREPA shall pay to Resource Provider, as Resource Provider's sole and exclusive remedy in respect of such delay, an amount per Day of such delay equal to the product of (A) the Base Rate *multiplied by* (B) the P50 Energy Yield for the first Agreement Year *divided by* three hundred sixty-five (365) as liquidated damages (the "**PREPA Delay Liquidated Damages**") no later than forty-five (45) Days after receipt of an invoice therefor; provided that (A) if, upon the occurrence of Commercial Operation Date, the Contract Capacity established by the Initial Performance Tests falls below the Maximum Dispatch Limit, then the Parties shall reduce the PREPA Delay Liquidated Damages, and Resource Provider shall credit PREPA's account for any overpayment, according to the ratio that such Contract Capacity bears to the Maximum Dispatch Limit; and (B) the Supply Period shall reduce for each Day in

respect of which PREPA has paid PREPA Delay Liquidated Damages. The Parties acknowledge and agree that the PREPA Delay Liquidated Damages represent a fair and reasonable estimate of the losses which Resource Provider will suffer if Commercial Operation does not occur by the Guaranteed Commercial Operation Date, and accordingly the Parties hereby waive their right to dispute the validity of this paragraph (a) of this Section 3.5.

b. Subject to paragraph (c) of Section 3.4 (*Extensions of Time*) for each Day of delay in achieving Commercial Operation after the Guaranteed Commercial Operation Date until the earlier of (i) the Commercial Operation Date, and (ii) the Long-Stop Date, other than any Day in respect of which PREPA has an obligation to pay PREPA Delay Liquidated Damages in accordance with paragraph (a) above, Resource Provider shall pay to PREPA as liquidated damages the Resource Provider Delay Liquidated Damages, no later than forty-five (45) Days after receipt of an invoice therefor. The Resource Provider Delay Liquidated Damages shall constitute PREPA's sole and exclusive remedy in respect of such delay, other than those remedies arising out of the termination by PREPA for delay under Section 15.1 (*Termination Date*). The Parties acknowledge and agree that the Resource Provider Delay Liquidated Damages represent a fair and reasonable estimate of the losses which PREPA will suffer if Commercial Operation does not occur by the Guaranteed Commercial Operation Date, and accordingly the Parties hereby waive their right to dispute the validity of this paragraph (b) of this Section 3.5.

c. The Parties acknowledge and agree that Resource Provider's maximum aggregate liability arising out of this Agreement for delays in achieving Commercial Operation shall not exceed the Security Amount. If, prior to the Commercial Operation Date, the accrued Resource Provider Delay Liquidated Damages (determined without reference to the Security Amount) exceed, or will likely exceed, the applicable Security Amount, then Resource Provider shall have the right to increase the Security Amount by an amount specified in a written notice to PREPA; provided that, if the amount of such increase exceeds the amount (expressed in USD) corresponding to the product of the per Day Resource Provider Delay Liquidated Damages amount *multiplied by* the number of Days corresponding to a ten percent (10%) increase, in the aggregate with all of the extensions of time to achieve Commercial Operation, then such increase shall not become effective until PREPA obtains PREB's approval of such increase (which PREPA shall request upon receipt of a written request from Resource Provider specifying the nature and extent of the expected increase). If Resource Provider desires to increase the Security Amount under this paragraph (c) of this Section 3.5, then such increase shall not become effective until Resource Provider has delivered a replacement Performance Security with a total face amount to cover the increased Security Amount.

3.6 Exchange of Information

For purposes of conducting any investigations and evaluations as the Parties may deem reasonable and necessary to determine the feasibility of the Facility, the PREPA Interconnection Facilities and the technical aspects related to the sale of Net Electrical Output of the Facility, the Parties agree to cooperate reasonably and in good faith and provide each other and their respective representatives reasonable and timely access to relevant personnel, advisors (including environmental consultants), properties, and books and records, provided the information is not privileged, confidential or protected under other agreements with third parties or by Law. Subject to the conditions stated in the previous sentence, each Party hereby agrees to cooperate and exchange information necessary to permit, finance, construct and operate the Facility. Notwithstanding anything in this Agreement

to the contrary, Resource Provider shall remain solely responsible for permitting, financing, constructing and operating the Facility.

3.7 Cooperation

To the extent legally permitted, the Parties agree to cooperate reasonably and in good faith in the mutually beneficial endeavor to obtain (i) control of, or other required access and rights to, the real property upon which the Facility and the PREPA Interconnection Facilities will be located, (ii) financing for the Facility and the PREPA Interconnection Facilities Works, and (iii) all necessary Permits, endorsements and approvals for siting and construction of the Facility and the PREPA Interconnection Facilities. Notwithstanding anything in this Agreement to the contrary, Resource Provider shall remain solely responsible for obtaining the items set out in clauses (i) through (iii) of this Section 3.7.

3.8 Interconnection Agreement

Resource Provider shall comply with all terms and conditions contained in the Interconnection Agreement. PREPA shall bear no liability or cost under this Agreement related to interconnection or electric distribution or transmission service for the Facility, except as expressly set out in this Agreement in relation to a PREPA Risk Event.

3.9 Protocols & Procedures

No later than one hundred eighty (180) Days after the Closing Date, the Parties, in consultation with the Consulting Technical Expert, shall agree upon any adjustments or additions to the Testing Protocol (including in respect of the Performance Tests) and Operating Procedures applicable to the Facility, taking into consideration Prudent Utility Practices, the MTRs, the Approved Design, the Operating Characteristics, equipment supplier and manufacturer recommendations set forth in their operating manuals, and the terms and conditions of this Agreement. The Testing Protocol and Operating Procedures shall only be modified with the written consent of the Parties. In the event of any conflict between the terms and conditions of this Agreement and the Testing Protocol or Operating Procedures, the terms and conditions of this Agreement shall prevail. Resource Provider acknowledges and agrees that (i) its compliance with the Operating Procedures or Testing Protocol does not relieve Resource Provider from any liability that it would otherwise have under this Agreement, and (ii) PREPA shall not be liable to Resource Provider or any other Person by reason of its review or approval of the Operating Procedures or Testing Protocol.

3.10 Resource Provider Utilities

Resource Provider shall procure at its own cost its own electricity prior to the Initial Synchronization Date, which it may obtain from PREPA through a separate agreement, and shall procure all of its other water, fuel, and other utilities during the Term. From and after the Initial Synchronization Date, PREPA agrees to provide backfeed electricity to Resource Provider as requested by Resource Provider at the most advantageous published rate available to Resource Provider, based on PREPA's approved rate and shall conform with rates PREPA charges to similar customers.

4. FACILITY DESIGN REQUIREMENTS

4.1 Proposed Design

a. No later than sixty (60) Days after the Closing Date, Resource Provider shall submit to PREPA a thirty percent (30%) engineering design for the Facility. PREPA shall review and comment on such design within fifteen (15) Business Days.

b. No later than sixty (60) Days after PREPA provides its comments (or approval) pursuant to paragraph (a) of this Section 4.1, Resource Provider shall submit to PREPA the issued-for-construction design of the Facility (the "**Proposed Design**"). Resource Provider agrees to ensure that the Proposed Design will (i) comply with Prudent Utility Practices, the requirements of the Interconnection Agreement, the Operating Characteristics, Permits, Applicable Laws, Applicable Standards, and the MTRs, and (ii) incorporate all equipment required for the Facility to comply with the MTRs.

c. No later than thirty (30) Days following Resource Provider's delivery to PREPA of the Proposed Design, PREPA shall complete its review of the Proposed Design and deliver to Resource Provider written notice that PREPA either (i) accepts the Proposed Design (the "**Approved Design**") and confirms that (a) the Resource Provider Interconnection Facilities, if constructed in accordance with such design, will comply with PREPA's interconnection requirements and (b) subject to the results of the Feasibility Study, System Impact Study and Facility Study and compliance with the requirements identified in such studies, PREPA will allow the Facility to interconnect with the Grid System in accordance with this Agreement, or (ii) does not accept such design based on its review, in which case PREPA shall simultaneously deliver to Resource Provider a written and detailed description of PREPA's objections to such design and PREPA's required modifications thereto, which modifications PREPA shall reasonably propose in good faith and consistent with Prudent Utility Practices (the "**Technical Input**"). To the extent the Technical Input involves a change in MTRs, the provisions of Section 4.2 (*Modifications*) shall apply.

d. If PREPA provides Technical Input to Resource Provider in accordance with the foregoing, then no later than ten (10) Business Days following Resource Provider's delivery to PREPA of Resource Provider's revised Proposed Design, which revised Proposed Design Resource Provider shall ensure is consistent with the MTRs and Technical Input, PREPA shall review such revised Proposed Design and notify Resource Provider in writing either that (i) such revised design constitutes the Approved Design, or (ii) PREPA does not accept such design, in which case PREPA shall simultaneously deliver to Resource Provider further Technical Input. The Parties shall repeat the foregoing process until PREPA accepts an Approved Design, which approval PREPA shall not unreasonably withhold or delay.

e. The Parties shall exercise commercially reasonable efforts to agree upon an Approved Design within sixty (60) Days of Resource Provider's submission of the revised Proposed Design, after Resource Provider has received PREPA's Technical Input. The Parties' failure to agree on the Approved Design within one hundred eighty (180) Days after Resource Provider's submission of a Proposed Design shall constitute grounds for an extension of time for the occurrence of Milestones to the extent otherwise permitted under Section 3.4 (*Extensions of Time*).

f. Resource Provider shall not, without PREPA's written consent, commence construction of the Facility until the Parties have agreed on an Approved Design; provided that, Resource

Provider may, at its risk, order long-lead equipment for the Facility prior to the achievement of the Approved Design.

g. No later than sixty (60) Days after the Parties have agreed on an Approved Design, Resource Provider shall reasonably update the Energy Yield Assessment Report to reflect the Approved Design and deliver such update to PREPA, and such update shall constitute the "Energy Yield Assessment Report" for the purposes of this Agreement.

h. Prior to the Initial Synchronization Date, Resource Provider may notify PREPA and the T&D Operator of reasonable updates to the Resource Provider's panel, inverter or other equipment suppliers and corresponding modifications to the Approved Design (e.g., panel form factor, panel layout, associated facility infrastructure or similar) necessitated by supply constraints or market availability, provided that such updates and modifications shall not adversely impact Resource Provider's compliance with the MTRs or other provisions of this Agreement.

4.2 Modifications

a. Each Party shall notify the other in advance of any changes to its system, and the reasons for those changes, that would reasonably require modification or expansion of the MTRs after the Closing Date, affect the coordination of protective devices between Resource Provider and PREPA interconnected systems or otherwise affect either Party's Interconnection Facilities.

b. PREPA reserves the right to modify or expand the MTRs, DCDs, or its requirements for protective devices in the Interconnection Facilities, in each case from time to time in accordance with Prudent Utility Practices and Applicable Law and in consultation with Resource Provider. If PREPA desires to modify or expand the MTRs, DCDs or its requirements for protective devices in the Interconnection Facilities in consideration of the risk of imminent and substantial harm to human life, property, or the Grid System (including degradation of service) but for the adoption of such change, specifically as it relates to reliability and safety margins, then it shall notify Resource Provider thereof in writing, which provides the rationale in reasonable detail for such change, and, subject to the limitations set forth in paragraphs (c), (d) and (e) of this Section 4.2, Resource Provider shall implement such change, except that in no event shall Resource Provider be required to make any modifications to the Facility in response to PREPA's modification or expansion of the MTRs, DCDs, or its requirements for protective devices in the Interconnection Facilities, if such modification would subject Resource Provider to any material additional liability (i) which, together with any costs previously incurred by Resource Provider pursuant to PREPA's request for modification or expansion of the MTRs, DCDs, or its requirements for protective devices in the Interconnection Facilities in accordance with this Section 4.2 or any costs incurred by Resource Provider in connection with changes to the PSS/E mathematical model in accordance with Section 4.3 (*Modeling*) exceeds the Modification Limit, and (ii) which PREPA is not required, or has not otherwise agreed, to reimburse to Resource Provider in accordance with this Agreement.

c. If Resource Provider implements any modification or expansion that PREPA requires under this Section 4.2, then Resource Provider shall assume the cost of such implementation, up to a total cost which, when added to any costs that PREPA previously required and incurred by Resource Provider pursuant to this Section 4.2 or Section 4.3

(*Modeling*) during the Term, does not exceed the Modification Limit. If such modification or expansion in any manner increases the cost to Resource Provider of operating the Facility or reduces the Facility's ability to make available Net Electrical Output, then the Parties shall treat that portion of Resource Provider's increased costs of operation or reasonably projected lost revenue under this Agreement arising out of such reduction as a cost of such change, provided that Resource Provider shall take all reasonable steps to minimize or mitigate such costs and losses.

d. If Resource Provider's costs attributable to such change (as reasonably determined and evidenced in writing to PREPA), when added to any costs Resource Provider previously incurred pursuant to PREPA's request for modification or expansion in accordance with this Section 4.2 or Section 4.3 (*Modeling*) during the Term, exceed the Modification Limit, then PREPA shall increase the Monthly Payment to allow Resource Provider to recover that portion of the cost in excess of the Modification Limit in Monthly installments (i) in respect of modifications to the Facility, over a term of eighteen (18) Months, or (ii) for a reduction of NEO, over the remaining Supply Period or so long as the reduction in NEO exists. Notwithstanding the foregoing, and only if not the result of changes required by PREPA, Resource Provider shall assume the total cost (without reimbursement) of implementing modifications to the MTRs or requirements for protective devices resulting from any deviations from the Operating Characteristics or the Approved Design or any changes to Resource Provider's system whatsoever.

e. Modifications or expansions of the MTRs shall not become effective until Resource Provider has had a reasonable period of time to comply with any such modified or expanded requirement.

4.3 Modeling

a. Resource Provider shall provide PREPA with (i) a PSS/E model for the Facility, for PREPA's approval, no later than the Agreement Date, and (ii) an initial Facility Performance Model, for PREPA's approval, no later than the Initial Synchronization Date.

b. Following the Initial Synchronization Date and prior to the Commercial Operation Date, the Parties shall validate the Facility Performance Model over a minimum period of thirty (30) Days. Resource Provider shall otherwise ensure that the Facility Performance Model complies with, and keep such model calibrated and up to date in accordance with, Appendix G (*Determination of Expected & Deemed NEO*).

c. Resource Provider agrees to keep the PSS/E mathematical models current with the future versions of the PSS/E program and the Facility Performance Model up to date, and shall provide updated PSS/E mathematical models to PREPA not later than ninety (90) Days after PREPA notifies Resource Provider of a PSS/E version upgrade if such upgrade results in software incompatibility with PREPA's system. Resource Provider shall submit to PREPA a report from Siemens PTI or another third-party engineering consultant that validates and certifies the PSS/E mathematical model as accurate, including the subsequent revisions performed to keep the mathematical model current with the future version of the PSS/E program. PREPA shall bear all costs incurred by Resource Provider in excess of the Modification Limit in connection with changes to the PSS/E mathematical model that result from modification or expansion of the MTRs or PREPA's requirements for protective devices in the Interconnection Facilities as per Section 4.2 (*Modifications*).

4.4 Pre-Synchronization Testing

a. Prior to the Initial Synchronization Date, Resource Provider shall retain a contractor, approved in writing by PREPA (which approval PREPA shall not unreasonably withhold or delay after Resource Provider has submitted to PREPA information about the experience of such contractor), to perform the acceptance testing of the Resource Provider Interconnection Facilities, in accordance with the Testing Protocol. Resource Provider shall provide to PREPA no less than ten (10) Days' written notice of such testing and PREPA shall have a representative witness and evaluate the testing.

b. No later than fifteen (15) Business Days following completion of such testing and submission to PREPA of the testing book prepared by the testing contractor, PREPA shall review such testing book and notify Resource Provider in writing whether PREPA (i) accepts such testing book, or (ii) declines to accept such testing book acting reasonably in accordance with Prudent Utility Practice, in which case PREPA shall simultaneously deliver to Resource Provider a written and detailed technical description of PREPA's objections to such testing book and PREPA's required modifications thereto which Resource Provider shall jointly work with the testing contractor using commercially reasonable efforts to incorporate in good faith. If PREPA has provided required modifications to the testing book, then no later than five (5) Business Days following Resource Provider's delivery to PREPA of a revised testing book consistent with such modifications, PREPA shall review such revised testing book and notify Resource Provider in writing either of PREPA's approval or that PREPA continues to require modifications thereto. The Parties shall repeat the foregoing process until PREPA approves the testing book, which approval PREPA shall not unreasonably withhold or delay. PREPA shall have the right to finally determine, acting reasonably in accordance with Prudent Utility Practice, whether Resource Provider has adequately designed, constructed and tested the Resource Provider Interconnection Facilities and whether such facilities comply with the Approved Design and PREPA's other requirements. PREPA shall use reasonable efforts to accept Resource Provider's testing book within fifteen (15) Business Days after Resource Provider's delivery to PREPA of a revised testing book, after Resource Provider has received PREPA's objections to the testing book for the first time.

c. Upon completion of the pre-synchronization testing of the Resource Provider Interconnection Facilities, Resource Provider shall provide written notice (which shall include a copy of the red line drawing used for the construction of the Resource Provider Interconnection Facilities) to PREPA that Resource Provider has substantially completed and tested the Resource Provider Interconnection Facilities in accordance with paragraphs (a) and (b) of this Section 4.4 ("**IF Completion Notice**"), in the form set forth in Appendix Y (*Form of IF Completion Notice*).

d. Following receipt of the IF Completion Notice, PREPA shall inspect (or PREPA shall appoint a Consulting Technical Expert to inspect) such Resource Provider Interconnection Facilities and the remainder of the Facility to confirm that Resource Provider has constructed the Resource Provider Interconnection Facilities in accordance with the Approved Design, which inspection and confirmation PREPA shall complete promptly, but in any case within five (5) Business Days following PREPA's receipt of the IF Completion Notice.

e. If PREPA (or the Consulting Technical Expert, as applicable) determines in good faith acting reasonably in accordance with Prudent Utility Practice that Resource Provider has

not constructed the Resource Provider Interconnection Facilities or remainder of the Facility in accordance with the Approved Design and that such deviation would, if PREPA synchronized the Facility with the Grid System, adversely affect the operations of the Grid System, PREPA shall so advise Resource Provider in writing within five (5) Business Days following PREPA's (or the Consulting Technical Expert's, as applicable) inspection of the Resource Provider Interconnection Facilities or remainder of the Facility, as applicable, and Resource Provider shall correct or mitigate any such deviation prior to interconnecting the Facility to the Grid System and resubmit the IF Completion Notice (in which case paragraph (d) of this Section 4.4 shall again apply). If the Parties cannot reach an agreement on whether Resource Provider has constructed the Resource Provider Interconnection Facilities or remainder of the Facility in accordance with the Approved Design after Resource Provider has submitted two (2) IF Completion Notices that PREPA has found to be deficient, then either Party may refer the matter to dispute resolution pursuant to Article 21 (*Dispute Resolution*).

f. If PREPA, in consultation with the Consulting Technical Expert, determines acting reasonably in accordance with Prudent Utility Practice that the Facility has been constructed in accordance with this Agreement, then PREPA shall notify Resource Provider thereof (such notification, the "**Substantial Completion Notice**"), in the form set forth in Appendix Z (*Form of Substantial Completion Notice*), and the Parties shall proceed with Initial Synchronization and testing pursuant to Article 5 (*Synchronization, Testing & Completion*).

4.5 Protection Relays & Control

a. Resource Provider shall provide PREPA with the proposed design of the complete protection systems (including relay devices and relay settings), in accordance with Appendix P (*Technical Requirements for Operation, Protection, & Control*), for PREPA's review and inspection not later than sixty (60) Days prior to the Proposed Initial Synchronization Date. Resource Provider shall submit the protection requirements in three stages: (i) design; (ii) protection report (*i.e.* the settings to be implemented according to the Approved Design); and (iii) the tests that Resource Provider shall perform with the approved settings.

b. If PREPA declines to accept such protection requirements for any reason acting reasonably in accordance with Prudent Utility Practice, Resource Provider agrees to comply with any reasonable request made by PREPA to provide the protection scheme requirements, including acceptable relay settings, prior to the Initial Synchronization Date. PREPA agrees to give any comments or suggested changes pursuant to this Section 4.5 within thirty (30) Days after Resource Provider submits the protection requirements at each stage to PREPA, provided that PREPA shall have at least ten (10) Days to evaluate each individual submission after receipt. If the Parties cannot reach an agreement within thirty (30) Days after PREPA's receipt of the complete set of protection requirements, including relay settings, then the Parties shall resolve such Dispute in accordance with Article 21 (*Dispute Resolution*).

c. Resource Provider further agrees that control and protection scheme parameters such as ramp rates, frequency fluctuations, overvoltage or low voltage ride-through, voltage support, and dynamic power factor will align in all material respects with the MTRs. Resource Provider shall procure equipment with electrical capabilities to comply with the MTRs.

4.6 Voltage Schedule

PREPA shall prepare and submit to Resource Provider a written voltage schedule for the Facility no later than thirty (30) Days prior to the Proposed Initial Synchronization Date. From and after the Commercial Operation Date, PREPA may change such voltage schedule upon thirty (30) Days' prior written notice, or in accordance with, the Operating Procedures, provided that such voltage schedule complies with the MTRs. Resource Provider shall use such voltage schedule in the operation of its Facility. PREPA shall base the voltage schedule on the normally expected operating conditions for the Facility and the reactive power requirements of the Grid System.

4.7 Facility Upgrades

From and after the Initial Synchronization Date, Resource Provider shall not carry out any upgrades or modifications to the Facility that will, or may reasonably be expected to, impair or limit the Facility's compliance with the MTRs, alter its Operating Characteristics or expand or limit its ability to make available Net Electrical Output or Net Power Output at the Interconnection Point, including the addition of energy storage systems, capacity expansions or other upgrades not contemplated by the Approved Design, in each case without PREPA's prior written consent, which PREPA may withhold in its sole discretion. The Parties acknowledge that this Section 4.7 does not restrict Resource Provider's performance of routine maintenance or technology upgrades required to ensure safe and reliable operation or regular replacement or periodic augmentation of equipment to maintain the performance of the Facility in accordance with this Agreement and the Approved Design.

5. SYNCHRONIZATION, TESTING & COMPLETION

5.1 Scheduling Synchronization

Resource Provider shall notify PREPA in writing of the proposed Initial Synchronization Date (the "**Proposed Initial Synchronization Date**") and the start-up and testing schedule for the Facility no later than ninety (90) Days prior to the Proposed Initial Synchronization Date. Resource Provider shall have the right to postpone or accelerate such date with at least fourteen (14) Days' advance written notice to PREPA. Following the issuance of the Substantial Completion Notice, the Parties shall agree on the actual Initial Synchronization Date at least seven (7) Days in advance of such date.

5.2 Initial Synchronization

Resource Provider shall not energize, back-feed, or synchronize the Facility without PREPA's prior approval, which approval PREPA shall not unreasonably withhold or delay. Subject to Resource Provider's compliance with the Interconnection Agreement and this Agreement, PREPA agrees to allow the Facility to interconnect to the Grid System at the Interconnection Point in accordance with the terms of this Agreement from the Initial Synchronization Date. PREPA shall have the right to have a representative present at the Facility to witness the synchronization process from and after the Initial Synchronization Date.

5.3 Initial Performance Tests

a. On or promptly after the Initial Synchronization Date, Resource Provider shall conduct the initial Performance Tests on the Facility to, among other things, (i) establish the initial power curves of the Facility under various Ambient Conditions, (ii) verify the Facility

Performance Model under paragraph (b) of Section 4.3 (*Modeling*), and (iii) confirm satisfaction of the requirements for Commercial Operation. The provisions of paragraphs (b) and (c) of Section 6.9 (*Supply Period Performance Tests*) shall apply *mutatis mutandis* to such tests (the "**Initial Performance Tests**").

b. Resource Provider warrants that the Initial Performance Tests shall establish that the maximum Generating Capacity of the Facility (as adjusted for Ambient Conditions at the time of testing in accordance with the Testing Protocol and without exceeding the Operating Characteristics and limits of the Approved Design) will meet or exceed the Maximum Dispatch Limit. If the Initial Performance Tests establish that the Generating Capacity falls below the Maximum Dispatch Limit, then prior to the Long-Stop Date, Resource Provider may, at its election:

1. take corrective actions to increase the Generating Capacity prior to the Long-Stop Date until the Initial Performance Tests demonstrate that the Facility can achieve the Maximum Dispatch Limit; or

2. if the Generating Capacity meets or exceeds at least ninety-five percent (95%) of the Maximum Dispatch Limit (the "**Minimum Acceptance Capacity**"), then credit PREPA's account in the amount of $200 per kW for each kW of difference between the Maximum Dispatch Limit and the greater of such Generating Capacity and the Minimum Acceptance Capacity, as liquidated damages as PREPA's sole and exclusive remedy in respect of such shortfall (the "**Capacity Shortfall Liquidated Damages**"),

provided that if, by the Long-Stop Date, such corrective actions result in the Generating Capacity meeting or exceeding the Minimum Acceptance Capacity but not the Maximum Dispatch Limit, then Resource Provider shall credit PREPA's account for the Capacity Shortfall Liquidated Damages. Resource Provider acknowledges and agrees that the Capacity Shortfall Liquidated Damages represent a fair and reasonable estimate of the loss which PREPA will suffer if such a Generating Capacity shortfall occurs, and accordingly, Resource Provider hereby waives its right to dispute the enforceability of this paragraph (b) of this Section 5.3.

c. If the Initial Performance Tests establish that the Facility fails to comply with the Other Minimum Acceptance Criteria, then Resource Provider may, at its election:

1. take corrective actions to improve the performance of the Facility; and

2. repeat the Initial Performance Tests to establish that the Facility satisfies the MTRs, Operating Characteristics and any other criteria set out in the Testing Protocol and Operating Procedures,

in each case, prior to the Long-Stop Date.

d. Subject to paragraphs (b) and (c) of this Section 5.3, if the Initial Performance Tests do not establish that the Facility meets both the Minimum Acceptance Capacity and Other Minimum Acceptance Criteria, then PREPA shall have the right to reject the results of such tests.

e. Following the successful completion of the Initial Performance Tests (or crediting of Capacity Shortfall Liquidated Damages, as applicable) and satisfaction of all other criteria to achieve Commercial Operation:

1. Resource Provider shall notify PREPA in writing of the test results and the Commercial Operation Date by issuing a certificate thereof, in the form set forth in Appendix V *(Form of Commercial Operation Date Certificate)*. PREPA shall confirm and countersign such notification, which confirmation PREPA shall not unreasonably withhold or delay, and if the demonstrated Generating Capacity (as adjusted for Ambient Conditions) falls below the Maximum Dispatch Limit, then subject to paragraphs (b) and (c) of this Section 5.3, the Parties shall amend this Agreement to reduce the Maximum Dispatch Limit accordingly.

2. Resource Provider shall submit to PREPA a revised PSS/E mathematical model that represents the as-built Facility. This PSS/E model shall include all necessary functionality to properly model the Facility for both steady-state and dynamic simulations. Resource Provider shall also submit a PSS/E validation report for the Facility, which describes how the PSS/E simulation results demonstrate the model MTR compliance and performance, based on the final adjustment and parameter settings of MTR and the Initial Performance Tests as required in this Agreement.

5.4 Resource Provider Interconnection Facilities

a. On the Commercial Operation Date, Resource Provider shall: (i) release and forever discharge PREPA and its respective officers, directors, agents, and employees, and all property connected with or a part of the site of the PREPA Interconnection Facilities Works, from any and all contractual liens and any other liens arising by operation of Applicable Law or otherwise in connection with, or arising out of, the performance of Resource Provider's obligations under this Agreement, including construction of the Resource Provider Interconnection Facilities, and (ii) specifically waive and release any lien, right, security interest or encumbrance of any kind in connection with this Agreement or Applicable Law established by Resource Provider, its contractors at any tier, material suppliers, laborers and all other Persons or entities furnishing services, labor or materials in connection with Resource Provider's obligations under this Agreement and all other interests therein and all improvements and materials placed on such site or machinery furnished in connection with such work.

b. Resource Provider shall provide PREPA with as-built drawings of the Facility within ninety (90) Days after the Commercial Operation Date and within ninety (90) Days after any material modification of the Resource Provider Interconnection Facilities or remainder of the Facility to the extent that such modification affects such as-built drawings.

c. Resource Provider shall at all times own and have responsibility for (at its own cost and expense) the safe and adequate operation and maintenance of all Resource Provider Interconnection Facilities. PREPA shall own and have responsibility for the safe and adequate operation and maintenance of the PREPA Interconnection Facilities. If PREPA implements any change in the protection system relay settings, equipment, or studies due to any improvement at the Interconnection Facilities required by Resource Provider or as a result of the Facility, then Resource Provider shall bear all reasonable costs and expenses incurred by PREPA.

6. OPERATION OF THE FACILITY

6.1 General

Resource Provider shall:

a. for each Billing Period during the Supply Period, make available to PREPA, during each Time Interval of such Billing Period, a quantity of Net Electrical Output that corresponds to the Expected NEO for such Time Interval, other than during the occurrence of any Permitted Outage or Permitted Derating, provided that (i) during any Permitted Derating, Resource Provider shall make available a quantity of Net Electrical Output that corresponds to the Generating Capacity not limited by such Derating, and (ii) PREPA's remedies in respect of Resource Provider's failure to comply with this paragraph are limited to requiring calibration of the Facility Performance Model in accordance with Appendix G (*Determination of Expected and Deemed NEO*) and the provisions of Articles 15 (*Termination*) and 16 (*Default*);

b. ensure that the Facility satisfies the Performance Guarantee at all times during the Supply Period other than a Scheduled Outage, provided that the Shortfall Credit constitutes PREPA's sole and exclusive remedy in respect of Resource Provider's failure to satisfy the Performance Guarantee; and

c. from the Initial Synchronization Date until the expiry of the Supply Period:

1. operate, test, maintain, repair and, if necessary, replace the Facility (or any portion thereof) in accordance with (i) the Operating Procedures, (ii) the Testing Protocol, (iii) the MTRs, (iv) Dispatch Notices, (v) Prudent Utility Practices, (vi) this Agreement, and (vii) Applicable Law and Applicable Standards, and subject to the Operating Characteristics;

2. ensure that (i) personnel remain on duty at the Facility at the times required to meet Resource Provider's obligations under this Agreement, and (ii) any contractor that Resource Provider engages for the operation, testing, maintenance, or repair of the Facility as a whole qualifies as a Qualified Operator; and

3. operate the Facility and associated inverters and protection schemes such that at no time shall the Net Power Output exceed the Maximum Dispatch Limit unless required by the MTRs or a Dispatch Notice.

6.2 Availability Estimates

For each Day during the Supply Period, Resource Provider shall provide to PREPA written, best estimates in good faith of next Day and next week Expected NEO and expected average and peak Net Power Output for each Time Interval of expected operating hours (expressed in kW over each such hour of each Day), based on (i) the previous Day NEO and average and maximum Net Power Output for expected operating hours, (ii) the estimated strength of the solar irradiation and other expected Ambient Conditions for the next Day and week according to the meteorological forecast for the region and site, and (iii) the results of the Facility Performance Model.

6.3 Scheduled Maintenance

a. Resource Provider shall (i) ensure that no more than twenty-four (24) hours in aggregate of Scheduled Outage or Scheduled Deratings occur per Agreement Year, (ii) plan its Scheduled Maintenance Program so as to minimize interruptions or reductions to the supply of Net Electrical Output, and (iii) cooperate with PREPA to coordinate the Scheduled Outages and Scheduled Deratings with Grid System needs. Resource Provider may only use the allowance for Scheduled Outages or Scheduled Deratings in the Agreement Year in which the allowance accrues, and any unused hours shall not be carried over to subsequent Agreement Years.

b. Resource Provider shall, at least sixty (60) Days prior to the Commercial Operation Date, submit a written schedule of Scheduled Outages and Scheduled Deratings ("**Scheduled Maintenance Program**") for the remaining portion of the first Year of the Facility's operations and, if the Commercial Operation Date occurs after September 1, for the following Year, setting forth the proposed Scheduled Outages and Scheduled Deratings periods. Thereafter, Resource Provider shall submit to PREPA, in writing, by September 1 of each Year, its proposed Scheduled Maintenance Program for the next Year.

c. Resource Provider shall provide the following information for each proposed Scheduled Outage and Scheduled Derating:

1. description of the work that Resource Provider will perform during such event;

2. approximate start date and time;

3. approximate end date and time;

4. approximate time to restore the Facility to full operation; and

5. for Scheduled Deratings, the Net Electrical Output and Net Power Output available during such event.

d. PREPA shall have thirty (30) Days from receipt of the proposed Scheduled Maintenance Program to notify Resource Provider whether it accepts the program or requires a rescheduling (and the period during which Resource Provider can perform such maintenance). If PREPA fails to respond during such period, then the Scheduled Maintenance Program shall be deemed accepted.

e. Resource Provider shall use reasonable efforts to accommodate any request from PREPA to reschedule the Scheduled Maintenance Program. If Resource Provider cannot accommodate PREPA's request to reschedule the Scheduled Maintenance Program, then Resource Provider shall provide reasons therefor and alternative dates for the Scheduled Maintenance Program. PREPA shall select between the alternative dates proposed by Resource Provider to finalize the Scheduled Maintenance Program.

f. Resource Provider shall notify PREPA at least seven (7) Days prior to the start of any Scheduled Outage or Scheduled Derating and shall maintain close coordination with PREPA as such event approaches.

g. If a condition occurs that impacts the Scheduled Maintenance Program, then Resource Provider shall promptly, on becoming aware of such condition, notify PREPA of such change (including an estimate of the length of such Scheduled Outage or Scheduled Derating) and request PREPA's approval to revise the Scheduled Maintenance Program, which approval PREPA shall not unreasonably withhold or delay. Resource Provider shall bear any costs incurred by PREPA for revisions made less than sixty (60) Days before the start date of a Scheduled Outage or Scheduled Derating or that results in such event being scheduled less than sixty (60) Days before the start of the revised Scheduled Outage or Scheduled Derating, other than in cases of Force Majeure or a PREPA Risk Event.

h. Only those Outages or Deratings that (i) meet the submittal timelines in paragraph (b) of this Section 6.3, and (ii) PREPA approves in accordance with this Section 6.3 shall constitute a Scheduled Outage or Scheduled Derating, respectively.

6.4 Non-Scheduled Outages & Deratings

a. If Resource Provider determines that it requires a Non-Scheduled Outage or Non-Scheduled Derating, then Resource Provider shall coordinate the timing of such Non-Scheduled Outage or Non-Scheduled Derating, as applicable, with PREPA.

b. Resource Provider shall use commercially reasonable efforts to notify PREPA of any Non-Scheduled Outage or Non-Scheduled Derating no later than 17:00 hours (Puerto Rico time) on the third (3rd) Business Day prior to the Day that such Non-Scheduled Outage or Non-Scheduled Derating will occur. In the event of an unexpected Non-Scheduled Outage or Non-Scheduled Derating, Resource Provider shall provide notice to PREPA by telephone or email as soon as reasonably practicable and, in all cases other than Force Majeure, no more than fifteen (15) minutes following the occurrence of such Non-Scheduled Outage or Non-Scheduled Derating. Thereafter, Resource Provider shall, as soon as reasonably practicable, provide PREPA with a written notice that includes (i) the event or condition, (ii) the date and time of such event or condition, (iii) the expected end date and time of such event or condition, (iv) for Non-Scheduled Deratings, the Net Electrical Output and Net Power Output available during such event or condition, and (v) any other information reasonably requested by PREPA.

c. Notwithstanding the delivery of a notice of a Non-Scheduled Outage or coordination with PREPA to resolve such event, the Facility shall be deemed unavailable for the duration of a Non-Scheduled Outage.

6.5 Emergencies

a. No later than the Initial Synchronization Date, each Party shall cooperate with the other in establishing written Emergency plans, including (i) recovery from a local or widespread electrical blackout, (ii) voltage reduction to effect load curtailment, (iii) policies for the delivery by PREPA to Resource Provider of prompt written notice of the occurrence of all Emergency and follow-up, and (iv) frequent status reports on any ongoing Emergency.

b. Resource Provider shall (i) make technical information and data available to PREPA concerning start-up times and black-start capabilities, (ii) promptly inform PREPA of any Emergency at or other material issues with the Facility or the Site, and (iii) if requested by PREPA, submit a remediation program setting out the actions Resource Provider shall take

to mitigate the Emergency or other material issues at the Facility, and (iv) abide by such program.

c. If the Facility has a Scheduled Outage, Non-Scheduled Outage, Scheduled Derating or Non-Scheduled Derating and such event occurs or would occur coincident with an Emergency, then PREPA may request that Resource Provider makes commercially reasonable efforts, consistent with Prudent Utility Practices, to reschedule the Scheduled Outage, Non-Scheduled Outage, Scheduled Derating or Non-Scheduled Derating, as applicable, or if such event has begun, to expedite the completion thereof.

6.6 Restoration of the Facility

Following any Emergency, Outage, or Derating, Resource Provider shall provide as much advance notice as reasonably practicable to PREPA of the date and time that it will bring the Facility back online, provided that Resource Provider shall furnish at least two (2) Days' prior notice for restoration from a Scheduled Outage or Scheduled Derating and at least two (2) hours' notice for restoration from a Non-Scheduled Outage, Non-Scheduled Derating or Emergency, in each case, in accordance with the Operating Procedures. PREPA shall have the right to rely on such notice for purposes of delivering Dispatch Notices to Resource Provider.

6.7 Communication

Resource Provider shall provide, install, commission, maintain, repair, and replace (as necessary), at its own cost and expense, the following communication facilities linking the Facility with PREPA:

a. one (1) Remote Terminal Unit ("**RTU**"), including setup installation and configuration reasonably specified by PREPA;

b. two (2) independent telecommunication circuits, including one (1) voice grade to link the SCADA system to the Facility's RTU using distributed network protocol through a designated PREPA communication node, and a second fiber optic circuit to link PREPA's network to the Facility in order to access protection equipment, revenue meters and the dynamic system monitor through the ruggedcom security device as reasonably specified by PREPA;

c. a voice telephone extension to communicate with PREPA's Monacillos Transmission Center and Ponce Transmission Center;

d. a telephone line and equipment to transmit and receive e-mail messages to confirm oral communication between PREPA and Resource Provider; and

e. for recording the power disturbance caused by electro-mechanic swings and to measure the system response to the swing disturbance, dynamic system monitor equipment, components, and system which comply with the requirements of Appendix O (*Technical Specifications for the Dynamic System Monitor*).

PREPA shall have the right to approve items provided by Resource Provider in accordance with this Section 6.7, which approval PREPA shall not unreasonably withhold or delay.

6.8 Record Keeping

a. Each Party shall keep complete and accurate books, accounts, records, and other data required for the proper administration of all transactions with respect to all matters relating to this Agreement.

b. Resource Provider shall maintain such records and data for a minimum of five (5) Years after the preparation of such records or data and for any additional length of time required by regulatory agencies with jurisdiction over each of the Parties; provided that neither Party shall dispose of or destroy any records without thirty (30) Days' prior written notice to the other Party. Within ten (10) Days after receipt of the notice of intention to destroy or dispose, the other Party shall have the right to require the notifying Party in writing to deliver to it certain records at the requesting Party's sole cost and expense. No more than ten (10) Days from receipt of such notice, the Party proposing to dispose of or destroy such records shall deliver any records requested by the requesting Party.

c. Resource Provider shall maintain, in physical and electronic copy, (i) as-built drawings, operation and maintenance manuals and other detailed technical documentation for design, engineering, construction, testing, commissioning, operation, maintenance, and repair of the Facility, and (ii) an accurate and up-to-date operating log at the Facility with records of (1) real and reactive power for each hour, (2) changes in operating status, Outages, Deratings or Emergencies, (3) any unusual conditions found during inspections, (4) any safety incident, accident or other occurrence at the Site that results in injury to persons or damage to property, (5) data and other inputs for, and outputs from, the Facility Performance Model, (6) electrical characteristics of the Facility and settings or adjustments of the Facility's control equipment and protective devices, (7) maintenance performance, (8) all material data in relation to Performance Tests and other testing, Performance Guarantee, metering, invoicing, payments, Claims, reimbursements, credits and any other charges to PREPA, and (9) any other significant events related to the operation of the Facility.

d. Either Party shall have the right from time to time, upon fourteen (14) Days' written notice to the other Party and during regular business hours, to examine the books, accounts, records, and other data of the other Party relating to the proper administration of this Agreement any time during the period that this Agreement requires the records to be maintained.

e. Resource Provider shall deliver to PREPA a Monthly operations and maintenance report by the tenth (10th) Day of each Month describing operations and maintenance activities performed in respect of the Facility during the previous Month.

6.9 Supply Period Performance Tests

a. PREPA shall have the right to require Performance Tests once per Year in accordance with the Testing Protocol, and Resource Provider shall comply with such requirement at its own cost and expense. PREPA's decision to forgo any such test shall not constitute a waiver of PREPA's right to require any subsequent Performance Tests. At PREPA's request, Resource Provider shall provide certifications of all Performance Tests and inspections of the electric and protection equipment, which may impact the Grid System.

b. Resource Provider shall submit to PREPA, for evaluation and approval, all Performance Tests reports certified by an experienced and duly qualified independent laboratory or

company with specialized expertise in acceptance and other relevant tests of renewable power generating facilities evidencing that the Facility satisfies each of the MTRs and the Performance Guarantee. PREPA shall have the right to approve such laboratory or company, which approval PREPA shall not unreasonably withhold or delay. For the avoidance of doubt, Resource Provider acknowledges and agrees that PREPA will not accept manufacturers' test reports as evidence of compliance with this requirement.

c. Resource Provider shall coordinate with, and the Performance Tests shall be witnessed by, PREPA's personnel and the Consulting Technical Expert. Resource Provider shall provide PREPA with at least thirty (30) Days' advance written notice of all Performance Tests, field tests or other matters that PREPA may witness hereunder. The Parties shall cooperate in good faith to determine mutually acceptable dates for such testing of all Performance Tests.

6.10 Network Security

Resource Provider shall use commercially reasonable efforts to prevent Malware from accessing any aspect of the Facility or any other information systems, operating environments and processes used or relied upon by Resource Provider to provide the Net Electrical Output, including the information, data and other materials delivered by or on behalf of Resource Provider to PREPA, the customers of PREPA, or any third party providers (collectively, the "**Environment**"). Throughout the Term, Resource Provider shall implement improvements to, and upgrades of, its Malware prevention and correction programs and processes consistent with the then-current National Institute of Standards and Technology industry standards and, in any case, no less robust than the programs and processes implemented by Resource Provider in respect of its own information systems. If Malware enters the Environment, Resource Provider shall notify PREPA as soon as it becomes aware of such presence and take immediate action, at Resource Provider's cost, to eliminate and remediate the Malware effects. Resource Provider shall regularly, and otherwise at the request of PREPA, provide sufficient evidence of its efforts to continuously monitor and evaluate the effectiveness of Resource Provider's information security safeguards. Resource Provider shall require that its subcontractors also comply with the obligations of Resource Provider under this Section 6.10.

7. DISPATCHING

7.1 General

a. Without prejudice to the requirements of Appendix F (*Compensation*) and Appendix G (*Determination of Deemed NEO*), PREPA shall have the right, exclusively by providing Dispatch Notices to Resource Provider in accordance with the Operating Procedures, to direct Resource Provider to dispatch the Facility in respect of any Time Interval (subject to availability of irradiation and Facility equipment limitations) from the Initial Synchronization Date until the expiry of the Supply Period, and such right shall include the right to require Resource Provider to curtail, reduce or increase the Net Power Output, disconnect or connect the Facility, or to provide Ancillary Services specified in the MTRs, in accordance with:

1. Prudent Utility Practices (such as reasons affecting safety margins or reliability levels in the Grid System, power quality problems as well as Outages and disconnections ("vías libres") of the transmission center or line due to disturbances, maintenance, improvements, and Emergencies);

2. the requirements of Applicable Law and Permits;

3. the Operating Procedures; and

4. the Facility's ability to generate or produce Net Electrical Output when the primary resource is available,

in each case subject to the Operating Characteristics, the Scheduled Maintenance Program, and Resource Provider's availability estimates under Section 6.2 (*Availability Estimates*). Resource Provider acknowledges and agrees that, for any Time Interval, PREPA's failure to take a quantity of Net Electrical Output up to the Expected NEO during such period does not constitute a breach of this Agreement.

b. Subject to paragraph (c) of this Section 7.1, each Dispatch Notice shall remain effective for the duration of the dispatch period specified therein unless and until PREPA modifies such Dispatch Notice by providing Resource Provider with an updated Dispatch Notice. If PREPA cannot issue an electronic submittal for reasons beyond PREPA's control, PREPA may provide Dispatch Notices by (in order of preference, unless the Parties agree to a different order) electronic mail, facsimile transmission or telephonically to Resource Provider's personnel designated in the Operating Procedures to receive such communications.

c. If PREPA submits a Dispatch Notice that directs action which does not conform with the Operating Characteristics, then Resource Provider shall promptly notify PREPA of the non-conformity and PREPA shall modify its Dispatch Notice to conform to the Operating Characteristics. Until PREPA submits a modified Dispatch Notice, Resource Provider shall, as applicable, dispatch the Facility in accordance with the Operating Characteristics, and the Facility will not be deemed unavailable, but only to the extent the Facility was otherwise available but could not be dispatched because of its inability to operate outside of the Operating Characteristics.

7.2 Curtailment for Breach

Notwithstanding Section 7.1 (*General*), PREPA shall have the additional right to curtail or reduce the Net Power Output, or disconnect the Facility, during the Supply Period, and Resource Provider shall have no right to any Claim for compensation or otherwise, when Resource Provider fails to:

a. operate the Facility in accordance with this Agreement or the MTRs, provided that for any modifications to the MTRs under Section 4.2 (*Modifications*), Resource Provider has had a reasonable period of time to comply with such modification pursuant to paragraph (e) of Section 4.2 (*Modifications*);

b. maintain the Net Power Output under the Maximum Dispatch Limit at any time under Ambient Conditions, unless required by the MTRs or PREPA's Dispatch Notice;

c. successfully complete the Performance Tests requested by PREPA under paragraph (a) of Section 6.9 (*Supply Period Performance Tests*) with reasonable prior notice; or

d. maintain the Facility Performance Model or Facility PSS/E mathematical models in accordance with this Agreement, provided that (i) PREPA has given Resource Provider

thirty (30) Days' notice of Resource Provider's failure to comply with the foregoing, and (ii) Resource Provider may reasonably perform such upgrade within that time period.

For the avoidance of doubt, any curtailment, reduction or disconnection shall end at the instruction of PREPA, which PREPA shall give promptly after Resource Provider cures such non-compliance.

8. METERING

8.1 Meter Ownership & Maintenance

PREPA shall own and maintain the meters and metering equipment used to measure the delivery and receipt of Net Electrical Output and Ancillary Services for payment purposes (the "**Main Meters**"). Resource Provider shall install the Main Meters and all other meters and metering equipment at the Interconnection Point, as well as Resource Provider's back-up meters and metering equipment at the Facility in accordance with Appendix I (*Interconnection Description and Specifications*). The Main Meters and the back-up meters and metering equipment shall meet PREPA's specifications and be subject to PREPA's approval, which approval PREPA shall not unreasonably withhold or delay, and which decision PREPA shall inform Resource Provider of no later than ten (10) Business Days after Resource Provider's notice to PREPA regarding the installation of the proposed meters.

8.2 Meter Inspection

PREPA shall seal the Main Meters. PREPA personnel may only break the seals for inspection, testing or adjustment of the meters performed in accordance with this Agreement. PREPA shall give Resource Provider ten (10) Business Days' prior written notice thereof and Resource Provider shall have the right to have a representative present during the meter inspection, testing, or adjustment. If either Party believes that there has been a meter failure or stoppage, it shall immediately notify the other Party to coordinate an inspection or test at the earliest convenient date.

8.3 Meter Testing & Calibration

a. At least annually, at PREPA's cost and, in addition from time to time upon ten (10) Business Days' prior written notice by either Party at its cost (unless the results demonstrate that meters for which PREPA has operation and maintenance responsibility fall outside of the limits established in American National Standard Institute Code for Electricity Metering (ANSI C12.16, latest version: "ANSI C12.16"), in which case PREPA shall bear the cost of such additional tests), PREPA will test and verify the calibration of the Main Meters and backup meters, in accordance with the provisions for meter testing as established by ANSI C12.16. When, as a result of such a test, PREPA finds the Main Meters within the range specified by the standard, PREPA shall not adjust the amount paid to Resource Provider for Net Electrical Output delivered to PREPA. If PREPA finds a Main Meter or backup meter outside the range specified by the standard, then the Party owning such defective or inaccurate device shall adjust, repair, replace, and/or recalibrate such device as near as practicable to a condition of zero (0) error (subject to Section 5.4 (*Resource Provider Interconnection Facilities*)) at that Party's expense. If PREPA finds the Main Meters outside the range specified by the standard, and the backup meters within such range, then the Parties shall use the backup meters to calculate the correct amount of Net Electrical Output delivered (reasonably adjusted for line losses) to PREPA for the actual period during which the Main Meters experience inaccurate measurements.

b. If the Parties cannot determine the actual period during which inaccurate measurements were made, they shall use a period equal to the time elapsed since the most recent test, but in no case for a period in excess of six (6) Months. If PREPA finds the Main Meters outside the range specified by the standard, and either the backup meters are not available, or testing demonstrates the backup meters are also out of calibration, each Party shall adjust its meters, and the Parties shall use the corrected meter readings of the most accurate meter for the actual period during which inaccurate measurements were made (reasonably adjusted for line loses where appropriate). If the Parties cannot determine the actual period during which inaccurate measurements were made, the Parties shall use a period equal to one half of the time elapsed since the most recent test, but in no case for a period in excess of six (6) Months.

c. To the extent that the adjustment period covers a period of deliveries for which PREPA has already remitted payment, PREPA shall use the corrected measurements as determined in accordance with this Section 8.3 to recalculate the amount due for the period of the inaccuracy and shall subtract the previous payments by PREPA for this period from such recomputed amount. If the difference is a positive number, PREPA shall pay the difference to Resource Provider. If the difference is a negative number, Resource Provider shall pay the difference to PREPA, or PREPA may offset such amounts against payments due to Resource Provider by PREPA hereunder. The owing Party shall make the payment or credit of such difference no later than thirty (30) Days after the owing Party receives written notice of the amount due, unless PREPA elects (via written notice to Resource Provider) payment via an offset. Each Party shall comply with any reasonable request of the other Party concerning the sealing of meters, the presence of a representative of the other Party when there are broken seals or the other Party is performing tests, and other matters affecting the accuracy of the measurement of electricity delivered from the Facility.

8.4 Meter Reading

During each one (1) Year period from and after the Initial Synchronization Date, PREPA shall read the meters on a Monthly basis (prior to the last Day in each Month and, in any event, at least twelve (12) times per Year (prorated for any partial Year)) to determine the amount of Net Electrical Output delivered to PREPA from the Facility for each Billing Period. At PREPA's option, PREPA may choose to read the meters more frequently and total such readings in accordance with the applicable Billing Periods. PREPA shall provide Resource Provider with a written statement containing the reading details and totals within ten (10) Days following the end of each Billing Period. PREPA shall notify Resource Provider of any site meter readings and Resource Provider may, at its option, be present for such reading.

8.5 Data

From the Initial Synchronization Date until the expiration of the Supply Period, Resource Provider shall own all data and information recorded from operation, scheduling, dispatch, testing, and maintenance of the Facility, and Resource Provider shall be deemed to have granted to PREPA a non-terminable, transferable, non-exclusive, royalty free and cost free license to copy and use such data and information for the purpose of modeling the Grid System and assessing the operation, scheduling, dispatch, metering and testing of the Facility during the Supply Period.

9. SALE & PURCHASE

9.1 General

PREPA shall pay for, and Resource Provider shall sell, all of the Product through Monthly Payments determined in accordance with Appendix F (*Compensation*), from the Initial Synchronization Date until the expiration of the Supply Period, subject to the terms of this Agreement, provided that PREPA shall have no obligation to pay for a quantity of Net Electrical Output delivered for any period of time in excess of a quantity corresponding to the Maximum Dispatch Limit, unless provided in accordance with a Dispatch Notice or the MTRs.

9.2 Title & Risk of Loss

The Net Electrical Output that Resource Provider makes available to PREPA under this Agreement shall become the property of PREPA at the Interconnection Point, at which point title to the Net Electrical Output and all risk of loss associated with such output shall transfer to PREPA. PREPA reserves the right to retain all rights, title, benefits, and other interest in, arising out of or related to, the generation, transmission, distribution, or supply of such energy that it or any of its Affiliates may realize through its existing or future power generation sources (including the Facility), customer agreements or other projects or improvements to the Grid System.

9.3 Right of Resale

PREPA shall have the right to resell all or any portion of the Product purchased under this Agreement, and Resource Provider shall, at no cost to PREPA, take all other reasonable actions from and after the Initial Synchronization Date to assist PREPA in receiving, and otherwise ensure that PREPA can receive and resell the Product, including submission of any reports or filings with applicable Governmental Authorities.

9.4 Ancillary Services

The Parties acknowledge and agree that PREPA may, from time to time after the Commercial Operation Date, request Resource Provider to provide PREPA with the Ancillary Services specified in the MTRs by delivering notice thereof to Resource Provider pursuant to Article 7 (*Dispatching*). Resource Provider shall provide such services in accordance with such request, in partial consideration of the Monthly Payments (including payments for Deemed NEO, as applicable) and for no additional cost (but subject, for the avoidance of doubt, to the provisions of Section 4.2 (*Modifications*)). For the purposes of determining a Resource Provider Default under item (4), paragraph (g) of Section 16.1 (*Definition*), the Parties shall deem the Facility as available during any Time Interval during which the Facility provides Ancillary Services in accordance with such a request.

9.5 Green Credits

a. Contemporaneously with the sale of Net Electrical Output hereunder and in partial consideration for the Monthly Payments, Resource Provider shall convey to PREPA, at no additional cost, all of the Green Credits associated with the provision of such Net Electrical Output of, or otherwise generated in connection with, operation of the Facility. The Parties shall execute all documentation required to confirm the registration of such Green Credits with the North American Renewables Registry or another similar registry acceptable to Resource Provider and PREPA (the "**Registry**") and the transfer of such Green Credits as

reasonably requested by PREPA in accordance with the rules of the Registry, in each case, at Resource Provider's expense. PREPA shall have the sole right to own, market, trade, sell or otherwise transfer such Green Credits available to or in respect of the Facility to any Person, and any Green Credits that are now available or in the future might become available in respect of the Facility during the Supply Period shall inure to the benefit of, and remain the property of, PREPA.

b. The Parties shall not construe any part of this Agreement to require Resource Provider to transfer to PREPA or any other Person any Tax Credits or any other Tax benefit provided by any Governmental Authority.

9.6 Improvement in PREPA's Financial Condition

Following PREPA's emergence from the PREPA Bankruptcy, if Resource Provider enters into any refinancing, Resource Provider and PREPA shall discuss in good faith an adjustment to the Base Rate to share the benefit of any savings accruing to Resource Provider from such refinancing. For avoidance of doubt, the Parties shall only adjust the Base Rate in accordance with this Section 9.6 if mutually agreed by the Parties.

10. PAYMENT & BILLINGS

10.1 Invoice for Monthly Payment

a. On or before the fifteenth (15th) Day following the end of each Billing Period (or if later, within five (5) Days after Resource Provider receives the meter reading data pursuant to Section 8.4 (*Meter Reading*)), Resource Provider shall provide PREPA with a written invoice for the Monthly Payment relating to such Billing Period. Each invoice shall include, as applicable, the details of the Net Electrical Output, Deemed NEO, Expected NEO, Ancillary Services, Green Credits, the Balance, Base Rate and Contract Rate for such Billing Period, the P50 Energy Yield, and other information necessary to determine Facility performance (including the sum of each of the Expected NEO and NEO for each Time Interval to date in the relevant Agreement Year, as well as projections of Expected NEO and NEO based on forecasted Ambient Conditions through the end of such year), insurance payments, credits or payments owing to PREPA, and an itemized statement of all other charges under this Agreement, as of such Billing Period.

b. PREPA shall use reasonable efforts to review each invoice and notify Resource Provider of any invoicing issues within thirty (30) Days after receipt thereof. Upon PREPA's request, Resource Provider shall furnish, within seven (7) Days, such further information as PREPA may reasonably request in support of the invoice. PREPA's delay in reviewing an invoice will not defer the due date for payment of amounts owed by PREPA under such invoice.

c. To the extent that an invoice complies with the requirements set forth in this Agreement, and subject to any direct agreement with Project Lenders, PREPA shall remit payment of undisputed amounts owed under such invoice no later than forty-five (45) Days after PREPA's receipt of such invoice and all required supporting documentation and certifications. Resource Provider acknowledges and agrees that PREPA may withhold payment (without accruing Interest) beyond such date if and so long as Resource Provider has failed to provide evidence that it has maintained the insurance policies required by this Agreement and in accordance with Section 17.2 (*Tracking Account*).

d. PREPA will charge all payments that it owes under this Agreement to PREPA's budget account number 01-4042-54710-050-668-0000 and estimates that its costs under this Agreement will not exceed five hundred ninety-one million two hundred eighty thousand five hundred forty-four dollars and forty-one cents ($591,280,544.41). For the avoidance of doubt, the Parties have set out the expected account number and estimate of costs for informational purposes to satisfy the requirements of the Puerto Rico Controller. This paragraph does not bind the Parties or modify any other provision of this Agreement.

e. If agreed or determined that PREPA has underpaid an invoice, then Interest shall accrue on the payments due to Resource Provider commencing on the Day after the date on which PREPA had the obligation to remit such payment pursuant to paragraph (c) of this Section 10.1, and continue until, but excluding, the relevant payment date.

f. If agreed or determined that PREPA has overpaid an invoice, then PREPA shall have the right to deduct the amount of such overpayment (plus Interest, calculated from the date of such overpayment to its repayment, in cases where the overpayment resulted from amounts stated in Resource Provider's invoices) from future payments in the immediately following Billing Period(s) until PREPA has received full credit for such overpayment.

10.2 Resource Provider Invoice Certification

Resource Provider shall submit all invoices in the form acceptable to PREPA and shall include in each such invoice the following certification:

No Interest Certification:

"We certify under penalty of nullity that no public servant of PREPA will derive or obtain any benefit or profit of any kind from the contractual relationship which is the basis of this invoice. If such benefit or profit exists, the required waiver has been obtained prior to entering into the Agreement. The only consideration to be received in exchange for the performance of the services and the sale of the energy to be provided is the agreed-upon price that has been negotiated with an authorized representative of PREPA. The total amount shown on this invoice is true and correct. The energy has been provided, services have been rendered, and no payment has been received."

_____

Resource Provider's Signature

Resource Provider acknowledges that the above certification constitutes an essential requirement of this Agreement and that PREPA will not process for payment invoices provided without this certification. In order to comply with the certification requirements set forth above, Resource Provider shall require that its subcontractors also include the certification set forth above in any invoices submitted in connection with energy or services provided under this Agreement.

10.3 Invoice for Liquidated Damages

If Liquidated Damages accrue under this Agreement or moneys are otherwise due from Resource Provider to PREPA in accordance with this Agreement, PREPA shall provide Resource Provider with a written invoice for such Liquidated Damages or amounts, showing the basis for the calculation of the amounts payable by Resource Provider thereunder. Resource Provider shall use reasonable efforts to review each invoice and notify PREPA of any invoicing issues within ten (10) Business Days after receipt thereof. Resource Provider shall remit payment of amounts owed under

such invoice no later than thirty (30) Days after Resource Provider's receipt of such invoice (including in the event of a disputed invoice). If Resource Provider does not pay the full amount of any such invoice when due, any unpaid amount thereof shall bear Interest, from the Day following the due date until, but excluding the relevant payment date.

10.4 Payment Set-Off

Notwithstanding the payment requirements set forth in this Article 10, PREPA shall have the right to set off any amounts due and owing to PREPA by Resource Provider pursuant to this Agreement, but which remain unpaid, against the amounts due and owing to Resource Provider by PREPA, provided that (i) such amounts are undisputed, have been determined to be owed to PREPA by a final determination pursuant to Article 21 (*Dispute Resolution*) or are explicitly described in this Agreement, and (ii) PREPA has provided Resource Provider with five (5) Business Days' advance written notice describing in reasonable detail the amounts that PREPA will set off before effecting any such set off.

10.5 Payment Method

A Party shall make payments to the other Party by wire transfer to an account with a bank specified by such Party in writing, which such Party shall notify to the other Party prior to the Closing Date, or with such other banks as may thereafter be specified by a Party in writing at least ten (10) Days prior to the date in which payment becomes due. Either Party may, by written notice to the other Party, change the address to which the notifying Party remits such payments.

10.6 Disputed Invoices

The Parties shall use their reasonable efforts to resolve any Dispute regarding payment of any invoice issued under this Article 10 by amicable negotiation, provided that if the Parties fail to resolve such Dispute by the payment due date, then either Party may refer the Dispute for resolution in accordance with Article 21 (*Dispute Resolution*).

11. LIABILITY

11.1 General

From and after the Initial Synchronization Date, each Party shall have responsibility for the energy and facilities located on its respective side of the Interconnection Point. Except as provided in Section 11.2 (*Foreseeable Damages*), Resource Provider shall have no liability to PREPA for loss or damage to PREPA's generation, transmission, and distribution system, resulting directly or indirectly from the use, misuse or presence of said energy once it passes the Interconnection Point.

11.2 Foreseeable Damages

Subject to the limitations set forth in Section 11.3 (*No Liability*) and Section 11.5 (*Resource Provider Liability Cap*), and except where a provision of this Agreement expressly entitles PREPA to draw down on the entire undrawn portion of the face amount of the Performance Security, each Party shall have liability for all foreseeable damages suffered by the other Party as a necessary consequence of the first Party's negligent performance or omissions or failure to perform its respective obligations under this Agreement, including during any cure period in accordance with Article 15 (*Termination*), and as stated under Article 1168 of the Puerto Rico Civil Code. For purposes of this provision, the "foreseeable damages" shall include (without duplication) (i) if the

Agreement is terminated due to the first Party's negligent performance or omissions or failure to perform its respective obligations under this Agreement, the direct economic loss of the other Party, if any, resulting from termination of this Agreement, (ii) all costs, brokerage fees, commissions, legal expenses, and other similar transaction costs and expenses, reasonably incurred by the other Party in connection with the first Party's negligent performance or omissions or failure to perform its respective obligations under this Agreement, and (iii) with respect to Resource Provider, costs and losses to Resource Provider in respect of any debt financing of the Facility (including as a result of any acceleration of such debt).

11.3 No Liability

Neither Party nor its officers, directors, shareholders, agents, employees and representatives shall, in any event, be liable to the other Party or its officers, directors, shareholders, agents, employees or representatives for Claims for incidental, consequential, special, punitive or indirect damages to persons or property, whether arising in tort, contract or otherwise, connected with or resulting from performance or non-performance under this Agreement including without limitation, Claims made by either Party's customers or suppliers, Claims made by third parties, Claims made by either Party for lost profits (other than payments expressly contemplated by any provision of this Agreement) or Claims arising from Force Majeure; provided that nothing contained in this Section 11.3 shall exclude or limit a Party's liability for (x) fraud, willful misconduct or gross negligence or (y) the foreseeable damage expressly contemplated by clauses (ii) and (iii) of Section 11.2 (*Foreseeable Damages*).

11.4 Obligation to Pay

Nothing in this Article 11 shall relieve either Party of its obligation to make payments that become due pursuant to Article 10 (*Payment & Billings*).

11.5 Resource Provider Liability Cap

RESOURCE PROVIDER'S LIABILITY TO PREPA UNDER THIS AGREEMENT, WHETHER BASED ON CONTRACT, WARRANTY OR TORT, INCLUDING ERRORS OR OMISSIONS, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE, OR ANY OTHER CLAIM OR CAUSE OF ACTION, WITH RESPECT TO ANY AND ALL CLAIMS SHALL NOT EXCEED THE AMOUNT EQUAL TO THE RESOURCE PROVIDER LIABILITY CAP; PROVIDED THAT (I) NOTHING CONTAINED IN THIS SECTION 11.5 SHALL EXCLUDE OR LIMIT RESOURCE PROVIDER'S LIABILITY FOR THE EXCEPTIONS, AND (II) FOR PURPOSES OF DETERMINING RESOURCE PROVIDER'S TOTAL AGGREGATE LIABILITY UNDER THIS AGREEMENT THAT IS WITHIN THE RESOURCE PROVIDER LIABILITY CAP, THE PARTIES SHALL DEDUCT THE PROCEEDS OF INSURANCE RECEIVED BY RESOURCE PROVIDER (OR WOULD HAVE RECEIVED HAD RESOURCE PROVIDER COMPLIED WITH THE TERMS OF THIS AGREEMENT), RELATING TO THE EVENT OR CIRCUMSTANCES WHICH RESULTED IN SUCH LIABILITY.

12. REPRESENTATIONS, WARRANTIES, & COVENANTS

12.1 Compliance with Law

The Parties shall, at all times and in all material respects, comply with Applicable Law, including the Bulk-Power System EO (if in effect), and such other Laws applicable to (i) the use, occupancy,

and operation of the Facility, and (ii) Resource Provider as an Electric Power Company or Electric Power Generation Company (each, as defined under Act 57-2014), as the case may be. Resource Provider shall give all required notices, shall procure and maintain all Permits, and shall pay all charges and fees required in connection therewith. Resource Provider shall complete all environmental impact studies necessary for the design, construction, operation, and maintenance of the Facility. Once obtained, Resource Provider shall comply with, and promptly submit to PREPA copies of, all material Permits and other permits contemplated by this Section 12.1. Furthermore, pursuant to Section 5(f) of Act 120-2018 and subject to the provisions of this Agreement, Resource Provider shall at all times comply with the public policy and regulatory framework applicable to the Facility.

12.2 Fines & Penalties

Each Party shall have sole responsibility for the payment of any and all fines or other penalties incurred by or imposed upon such Party or its agents, suppliers, employees, or subcontractors for noncompliance by such Party, its agents, employees, suppliers, or subcontractors with Applicable Law to or in connection with, (i) in the case of Resource Provider, the development, construction, ownership and operation, maintenance or repair of the Facility, except to the extent that any act or omission of PREPA caused such noncompliance, and (ii) in the case of PREPA, the proper operation of the Grid System, except to the extent that any act or omission of Resource Provider caused such noncompliance, in each case as determined by applicable Governmental Authority having jurisdiction over the Facility, subject to the indemnification provisions of Article 13 (*Indemnification*).

12.3 Resource Provider Representations & Warranties

a. Resource Provider represents and warrants to PREPA on the Agreement Date, and again on the Closing Date, as follows:

1. Resource Provider is a limited liability company, duly organized, validly existing under the Laws of Puerto Rico; and Resource Provider has all requisite power and authority to conduct its business, to own its properties, and to execute, to deliver, and to perform its obligations under this Agreement;

2. the execution, delivery, and performance by Resource Provider of this Agreement have been duly authorized, and do not and will not (i) require any additional internal consent or approval of Resource Provider, any Sponsor or any Affiliate of either of them; or (ii) violate any provision of Resource Provider's certificate of formation or operating agreement, or any material indenture, contract or agreement to which it is a party or by which it or its properties may be bound, or any Applicable Law, determination or award presently in effect;

3. Resource Provider is not in default under any document or instrument referred to in clause (ii) of item (2), paragraph (a) of this Section 12.3, which default could reasonably be expected to have a material adverse effect on the ability of Resource Provider to perform its obligations under this Agreement;

4. this Agreement constitutes a legal, valid and binding obligation of Resource Provider, enforceable against Resource Provider in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency or similar Laws affecting the enforcement of rights generally; and

5. except as previously disclosed in writing, there is no pending action or proceeding in which Resource Provider is a party before any court, governmental agency or arbitrator that could reasonably be expected to affect materially and adversely the financial condition or operations of Resource Provider or the ability of Resource Provider to perform its obligations under, or which purports to affect the legality, validity or enforceability of, this Agreement as in effect on the date hereof; and

b. Resource Provider represents and warrants on the Commercial Operation Date that the Facility qualifies as a source of "*green energy*" under Act 82-2010.

12.4 PREPA Representations & Warranties

PREPA represents and warrants to Resource Provider on the Agreement Date, and again on the Closing Date, as follows:

a. pursuant to Act No. 83 of May 2, 1941, as amended, PREPA is a public corporation duly organized and validly existing under the Laws of the Commonwealth of Puerto Rico and has all requisite power and authority to conduct its business as now conducted, to own its properties, and to execute, to deliver, and to perform its obligations under this Agreement;

b. the execution, delivery, and performance by PREPA of this Agreement, including PREPA's agreement that all of Resource Provider's costs and obligations owed to Resource Provider under the Agreement constitute administrative expenses (i) has been duly authorized by PREPA's governing board in accordance with Applicable Law, (ii) does not and will not require any additional internal consent or approval of PREPA, (iii) does not require any approval from the PROMESA Court or any other additional external consent or approval, other than those approvals expressly identified in this Agreement, and (iv) does not and will not violate any Applicable Law, including any provision of Act No. 83 of May 2, 1941, as amended, or its regulations, or any material indenture, contract or agreement to which it is a party or by which its properties may be bound;

c. this Agreement is a legal, valid, and binding obligation of PREPA, enforceable against PREPA in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency or similar Laws affecting the enforcement of rights generally;

d. (i) Resource Provider's right to payment for charges validly incurred in accordance with this Agreement or owed by PREPA under this Agreement arise from a post-petition transaction with PREPA, (ii) the consideration made available by Resource Provider benefits PREPA, and supports PREPA's obligations, under this Agreement, and (iii) as a result of the foregoing, Resource Provider's right to payment for charges validly incurred in accordance with this Agreement or owed by PREPA under this Agreement during the PREPA Bankruptcy constitute reasonable and necessary expenses of preserving PREPA and an administrative expense; and

e. other than the PREPA Bankruptcy, except as previously disclosed in writing, there is no pending action or proceeding in which PREPA is a party before any court, governmental agency or arbitrator that could reasonably be expected to affect materially and adversely the financial condition or operations of PREPA or the ability of PREPA to perform its obligations under, or which purports to affect the legality, validity or enforceability of, this Agreement as in effect on the date hereof.

12.5 Resource Provider Payments

PREPA shall exercise commercially reasonable efforts to ensure that Monthly Payments under this Agreement constitute necessary operating expenses.

12.6 Resource Provider's Financial Statements

For each of Resource Provider's fiscal years (or part thereof) during the Term, commencing with fiscal year 2022, Resource Provider shall deliver to PREPA its audited financial statements for such fiscal year, prepared in accordance with GAAP, no later than one hundred twenty (120) Days following the completion of such fiscal year.

12.7 Resource Provider's Officers

If a change or substitution of one or more of Resource Provider's corporate officers occurs, then Resource Provider shall deliver to PREPA a certification of the names of its corporate officers.

12.8 Other Business

Resource Provider shall not (i) engage in any business activity other than as reasonably required to perform its obligations under this Agreement and the Interconnection Agreement, (ii) enter into any merger, consolidation or amalgamation with any entity, or (iii) demerge, separate or split into one or more entities, in each case, without PREPA's prior written consent, which consent PREPA shall not unreasonably withhold or delay.

12.9 Confidentiality

a. Each Party (the "**Receiving Party**") shall keep all Agreement terms and information obtained from the other Party (the "**Disclosing Party**"), and not otherwise generally available to the public (but without limitation of any liability the Receiving Party may have to the Disclosing Party for information that becomes generally available to the public through the negligence or willful misconduct of any of the Receiving Party, its Affiliates or their respective employees, agents and representatives), confidential and use such information solely in connection with the performance of its obligations under this Agreement. Disclosure of such information may be made only within the Receiving Party's organization to key personnel, to third parties serving as the Receiving Party's legal, financial or technical advisors whose duties justify their need to review and know such material, and to lenders, prospective lenders, investors and prospective investors. The Receiving Party shall require each Person (and personnel thereof) to agree in writing for the benefit of the Disclosing Party to maintain the confidentiality of such information.

b. To the extent any Governmental Authority requires a Receiving Party to disclose such information or requires such information to secure a governmental approval or authorization, such Receiving Party shall promptly notify the Disclosing Party and use its commercially reasonable efforts to seek a confidentiality agreement that assures confidential treatment of the information consistent with the terms of this paragraph (b) of this Section 12.9. In the event the Receiving Party cannot obtain a confidentiality agreement, such Receiving Party shall use commercially reasonable efforts to obtain through court action the appropriate protective order. Notwithstanding the foregoing and paragraph (a) of this Section 12.9, PREPA may disclose the terms and conditions of this Agreement to (i) FOMB, PREB, COR3, P3A, the PROMESA Court, and any

Governmental Authority for the purpose of obtaining the consents and approvals, together with such additional information as may be required to obtain such consents and approvals, (ii) COR3, P3A, any owner of the Grid System, and any potential or then-existing T&D Operator and their respective advisors and lenders, and (iii) the Puerto Rico Controller through the filings required by Applicable Law, which will make this Agreement subject to the open records requirement.

12.10 Local Content

a. Resource Provider agrees to use its reasonable efforts when soliciting and obtaining personnel to perform services for the Facility in Puerto Rico, to ensure that individuals who are *bona fide* residents of Puerto Rico as defined in paragraph (c) of this Section 12.10 perform not less than thirty percent (30%) of the total personnel hours expended in the construction of the Facility (prior to the Commercial Operation Date) and not less than thirty percent (30%) of the total personnel hours expended in Resource Provider's performance of the services pursuant to this Agreement (following the Commercial Operation Date).

b. Resource Provider agrees to use its reasonable efforts when soliciting and selecting subcontractors and vendors to perform services for the Facility in Puerto Rico, to ensure that business concerns owned and controlled by one or more individuals, who are *bona fide* residents of Puerto Rico as defined in paragraph (c) of this Section 12.10, perform not less than thirty percent (30%) of the total personnel hours expended in the construction of the Facility (prior to the Commercial Operation Date), as measured by person-hours on an annual basis. For purposes of the preceding sentence, "**owned and controlled**" means a business: (i) owned at least fifty-one percent (51%) by one or more of such individuals (*e.g.*, in the case of a corporate form of organization such individuals must hold at least fifty-one percent (51%) of all voting stock of the corporation; in the case of a partnership or other form of business concern such individuals must hold at least fifty-one percent (51%) of the beneficial interests in the partnership or business concern); and (ii) one or more of such Persons (who need not be owners of the business) control the management and daily business operations.

c. For purposes of this paragraph (c), a bona fide resident of Puerto Rico means an individual who has been a resident of Puerto Rico immediately prior to commencing work on the Facility. To the extent that despite Resource Provider's reasonable efforts Resource Provider has failed to achieve the goals set forth in paragraphs (a) and (b) of this Section 12.10, Resource Provider may, for purposes of calculating satisfaction of such percentages of local content, include the services of individuals who at some time prior to commencing work on the Facility, but not necessarily including the period of time immediately prior to commencing work on the Facility, were residents of Puerto Rico for at least five (5) consecutive Years and who relocated to Puerto Rico in order to perform work on the Facility. Resource Provider shall, in good faith, be entitled to rely on the representation of each individual applicant and of each subcontractor or vendor as to whether such individual, subcontractor or vendor meets the criteria set forth herein. Resource Provider shall require equivalent undertakings from its subcontractors.

d. Nothing contained herein shall be interpreted as obligating Resource Provider to take any action which would violate Applicable Law or any affirmative action program or equal opportunity obligation to which Resource Provider or its Affiliates are or may be bound under Applicable Law.

12.11 Subcontracting

Neither Party shall be relieved of its obligations under this Agreement as a result of subcontracting any of its obligations to a third party.

12.12 Administrative Expense Treatment

PREPA and Resource Provider stipulate that this Agreement is a post-petition agreement executed after the petition date and entitled to administrative expense treatment under PROMESA and the Bankruptcy Code. Further, PREPA stipulates that all of Resource Provider's costs and obligations owed to Resource Provider under this Agreement will be treated as administrative expenses and will support such recovery in any proceeding before any relevant court.

13. INDEMNIFICATION

13.1 General

Subject to the other provisions of this Article 13, each Party (the "**Indemnifying Party**") shall indemnify and hold harmless the other Party and each of its Indemnitees from and against any and all Claims by third parties for or on account of injury, bodily or otherwise, or death of persons or for damage to or destruction of third-party property, in each case to the extent resulting from or arising out of the Indemnifying Party's violation of Law, negligence, willful misconduct or failure to perform under this Agreement.

13.2 Notice of Claim

In the event any Party to this Agreement receives notice of any Claim for which such Party elects to assert a right of indemnification under this Article 13 the Party receiving such notice shall give prompt written notice to the other Party of such Claim. The Party required to give the indemnification and hold harmless under the terms and provisions of this Agreement will have control of the defense of any such Claim (except to the extent prevented by any legal conflict of interest), including the selection of counsel to handle same. In addition to the counsel so selected, the Party being indemnified and held harmless shall be entitled to be represented by counsel of his or her choosing, but in such event, such Party shall bear the cost and expense of said additional counsel.

13.3 Claims Arising From Environmental Harm

Resource Provider shall indemnify and hold harmless PREPA, and each of its Indemnitees, against any and all Claims arising directly or indirectly out of any environmental harm due to the actions of Resource Provider or Resource Provider's agents or employees during the design, development, construction or operation of the Facility, in each case as a result of the presence at the Facility of pollutants, hazardous substances, materials or wastes in excess of amounts and concentrations permitted by Applicable Law then in effect. In the event Resource Provider fails to reimburse PREPA for such Claims within thirty (30) Days of receipt of written notice from PREPA stating that such Claims were incurred (including reasonable documentation of such Claims), PREPA may offset the amount of such Claims against amounts due to Resource Provider from PREPA under this Agreement. In the event Resource Provider disputes that Claims are due to the actions of Resource Provider or Resource Provider's agents, the Parties shall resolve such Dispute pursuant to Article 21 (*Dispute Resolution*), and PREPA shall not offset any such disputed amounts until final settlement under Article 21 (*Dispute Resolution*).

14. FORCE MAJEURE

14.1 General

"**Force Majeure**" means, subject to Section 14.2 (*Instances of Force Majeure*), any event or circumstance beyond the reasonable control of the affected Party (the "**Affected Party**") and not resulting from the fault or negligence of the Affected Party claiming the Force Majeure, which wholly or partially prevents the Affected Party from performing any of its obligations under this Agreement, but only if and to the extent that:

a. the Affected Party could not have prevented, avoided, or removed such circumstance, despite the exercise of reasonable diligence consistent with Prudent Utility Practices;

b. the Affected Party has taken all reasonable precautions, due care, and reasonable alternative measures in order to (i) avoid the effect of such event or circumstance on the Affected Party's ability to perform such obligation under this Contract, and (ii) mitigate the consequences thereof;

c. such event or circumstance did not directly or indirectly arise out of the breach by the Affected Party of any of its obligations under this Agreement or the fault or negligence of the Affected Party; and

d. the Affected Party has given the other Party ("**Non-Affected Party**") notice of such event or circumstance in accordance with Section 14.3 (*Notice*).

Except as provided in Section 14.4 (*Consequences*), Force Majeure shall excuse the Affected Party claiming the Force Majeure from performing the obligation affected by such Force Majeure and the Affected Party shall have no liability for damages or otherwise to the extent caused by such non-performance. The Affected Party shall bear the burden of proving whether Force Majeure has occurred.

14.2 Instances of Force Majeure

Provided that a claim of Force Majeure satisfies the requirements of Section 14.1 (*General*), Force Majeure may include the following events: (i) the act or failure to act of any Governmental Authority, any Pending Permit Delay, acts of public or foreign enemy, war, invasion, rebellion, terrorism, riots, insurrections, civil or industrial disturbances, strikes (national and other general strikes), lockouts, boycotts, works to rule, go-slows and other public agitation, and blockades; (ii) acts of God, epidemics, pandemics, earthquakes, storms, tornado, drought, hail, plague, lightning, hurricane, natural calamity, floods, fires, and explosions; (iii) failure or delay of any subcontractor or supplier of the Affected Party to perform as a result of an event that would constitute Force Majeure hereunder; (iv) port congestion or closure or (v) prior to the Initial Synchronization Date, inability to secure necessary project goods or labor at prices less than ten percent (10 %) above prevailing market prices as of the Agreement Date as a result of one or more events that materially limit the availability, materially delay the delivery, or materially increase the cost, of such necessary project goods or labor after such date. Notwithstanding the foregoing, Force Majeure shall expressly not include:

a. the bankruptcy of a Party or any of its subcontractors or suppliers at any tier;

b. breakdown or defect of temporary works or the Resource Provider's equipment or any subcontractor's equipment, other than breakdown caused by a separate Force Majeure;

c. any changes in prevailing market prices for goods, fuel, or labor, other than as described in clause (v) of this Section 14.2;

d. strikes, lockouts, works to rule, go-slows, and other industrial disturbances that are limited to personnel of Resource Provider and any of its Affiliates;

e. any failure by a Party to obtain and/or maintain a Permit, other than in the case of a Pending Permit Delay;

f. any Pending Permit Delays in excess of eighteen (18) Months; or

g. any promulgation by the U.S. Department of Energy of implementation rules for the Bulk-Power System EO after the Agreement Date that causes delay in excess of twelve (12) Months.

14.3 Notice

A Party claiming Force Majeure shall, within ten (10) Days after becoming aware of the occurrence of the event(s) which forms the basis for such claim, give the Non-Affected Party written notice thereof, describing (i) the particulars of such occurrence, (ii) an estimate of the duration of the impact of such event on the Affected Party's ability to perform its obligations, and (iii) how such claim otherwise satisfies the requirements of Section 14.1 (*General*), provided that if the Affected Party fails to notify the other Party within such ten (10) Day period, the Affected Party will not be precluded from claiming Force Majeure, but Force Majeure will be deemed to have commenced as of the date on which such notice is given.

14.4 Consequences

Subject to Appendix G (*Determination of Expected & Deemed NEO*), neither Party shall be excused by reason of Force Majeure from the obligation to make any payments when due to the other Party.

14.5 Disputes

If a Party Disputes the other Party's claim of Force Majeure, such Dispute shall be resolved pursuant to Article 21 (*Dispute Resolution*).

14.6 Extended Force Majeure

Either Party may terminate this Agreement, without further liability for either Party, by notice in writing to the other Party upon the occurrence and continuation of Force Majeure for more than twenty-four (24) consecutive Months.

15. TERMINATION

15.1 Termination Date

Subject to Section 15.2 (*No Discharge of Obligations*), this Agreement shall automatically terminate on the earlier to occur of:

a. expiration of the Term;

b. mutual consent of the Parties in writing;

c. termination of the Agreement identified in a written notice delivered by the non-defaulting Party following the occurrence and continuation of a Default, provided that the termination date occurs no earlier than thirty (30) Days after the issuance of such notice, and if the defaulting Party can cure such Default, such Party fails to cure such Default within such thirty (30) Day period;

d. the inability of the Parties to achieve the Closing Date by the date required under Section 2.3 (*Initial Effectiveness & Closing Date*);

e. prior to the Initial Synchronization Date only, the determination by Resource Provider (as notified to PREPA in writing) to terminate this Agreement and the Interconnection Agreement upon the continuance of a Pending Permit Delay in excess of eighteen (18) Months without further liability to either Party;

f. termination of this Agreement by a Party in accordance with Section 14.6 (*Extended Force Majeure*);

g. a Construction Start Termination Event;

h. a COD Termination Event; or

i. Payment Guarantee Cross-Default.

15.2 No Discharge of Obligations

Cancellation, expiration, or earlier termination of this Agreement shall not relieve the Parties of obligations incurred prior to, or as a result of, such cancellation, expiration, or earlier termination of this Agreement, which by their nature should survive such events, including Articles 11 (*Liability*), 13 (*Indemnification*), 14 (*Force Majeure*), 15 (*Termination*), 21 (*Dispute Resolution*) and 22 (*Miscellaneous Provisions*), Sections 2.5 (*Performance Security*), 3.5 (*Delay Liquidated Damages*), 6.8 (*Record Keeping*), 12.9 (*Confidentiality*), 16.2 (*Certain Material Breaches*), and 17.2 (*Tracking Account*), and Appendix Q (*Performance Guarantee*). The Articles, Sections, and Appendices designated in the preceding sentence shall survive the Termination Date, provided that Section 12.9 (*Confidentiality*) and Article 13 (*Indemnification*) shall expire on the first (1st) and second (2nd) anniversary of the Termination Date, respectively. Without limiting the foregoing, termination of this Agreement shall not discharge either Party from any Claim or obligation it owes to the other Party under this Agreement by reason of any transaction, loss, cost, damage, expense, or liability which shall occur or arise (or the circumstances, events, or basis of which shall occur or arise) prior to the Termination Date. Any such Claim or obligation owed (whether the same shall be known or unknown at termination or whether the circumstances, events, or basis of the same shall be known or unknown at termination) shall survive the Termination Date. Except as otherwise expressly contemplated by this Agreement, any indebtedness by either Party to the other shall be considered payable within ninety (90) Days after the Termination Date.

15.3 Removal of Facility & Related Equipment

Following the Termination Date, Resource Provider shall be entirely responsible (at its sole cost, risk, and expense) for owning, operating, maintaining, and ultimately removing the Facility and related equipment at the end of their useful lives in accordance with all Applicable Laws.

16. DEFAULT

16.1 Definition

The following events shall constitute a "**Default**" under this Agreement:

a. for Resource Provider as the defaulting Party only, the provision of materially incorrect or misleading information, representation or certification submitted (or made) by Resource Provider in connection with either (i) the submission of Resource Provider's proposal to PREPA in response to the RFP, or (ii) the execution, delivery or performance by Resource Provider of this Agreement, in each case relating to either (a) corruption or bribery matters, or (b) a representation made by Resource Provider under Section 16.2 (*Certain Material Breaches*);

b. except as otherwise covered in paragraph (a) of this Section 16.1, a materially incorrect or misleading representation or warranty made by a Party under this Agreement or any certification submitted by a Party in connection with the execution, delivery of performance of this Agreement, which in either case remains uncured for a period of at least sixty (60) Days after receipt by such Party of notice thereof from the other Party;

c. for Resource Provider as the defaulting Party only, default by Resource Provider in the observance or performance of any covenant contained in Section 2.5 (*Performance Security*) where such default continues uncured for a period of at least thirty (30) Days after the date on which Resource Provider receives written notice from PREPA of such failure;

d. a Party's failure to remit in full any amount due and payable under this Agreement to the other Party, which the first Party fails to cure within sixty (60) Days after the date on which the first Party receives written notice from the other Party of such failure (other than disputed amounts, which the Parties shall resolve in accordance with Article 21 (*Dispute Resolution*));

e. for Resource Provider as defaulting Party, a default by Resource Provider under paragraphs (a) or (b) of Section 16.2 (*Certain Material Breaches*);

f. except as otherwise covered in paragraphs (c) or (d) of this Section 16.1, default by a Party in the observance or performance of any of the material terms, covenants, or conditions contained in this Agreement, which remains uncured for a period of one hundred twenty (120) Days after the date on which the first Party receives written notice from the other Party of such failure, or such longer period (not to exceed an additional cure period of one hundred fifty (150) Days if the first Party can cure such default and diligently pursues such cure);

g. for Resource Provider only as the defaulting Party:

1. a termination of the Interconnection Agreement due to default by Resource Provider;

2. an Insolvency Event;

3. a Development Abandonment;

4. for any three (3) consecutive Agreement Years, Resource Provider's failure to deliver an aggregate quantity of Net Electrical Output in excess of the difference between (i) seventy percent (70%) of the sum of the P50 Energy Yields applicable to such Agreement Years *less* (ii) the aggregate quantity of energy (if any) by which the Expected NEO applicable to each Time Interval during each such Agreement Year exceeds the Net Electrical Output during such interval as a result of a PREPA Risk Event or Force Majeure affecting Resource Provider; or

5. a Payment Guarantee Cross-Default,

and in the case of paragraphs (1), (2), (3) and (5) above, for any reason other than a PREPA Risk Event or Force Majeure affecting Resource Provider; and

h. for PREPA only as the defaulting Party, at any time during the Term, condemnation of the Project by PREPA or any Governmental Authority in Puerto Rico in accordance with Applicable Law.

16.2 Certain Material Breaches

a. Pursuant to FOMB's contract review policy (FOMB POLICY: REVIEW OF CONTRACTS, as modified on October 30, 2020), Resource Provider represents and warrants to PREPA on the Agreement Date, and again on the Closing Date, (i) the due execution by Resource Provider and delivery to PREPA of a certification (the "**FOMB Certification**") in the form set out in Appendix S (*Form of FOMB Certification*), and (ii) the completeness, accuracy, and correctness of all information included in such FOMB Certification. As acknowledged, certified, and agreed in the FOMB Certification, any misrepresentation, inaccuracy, or falseness in such FOMB Certification shall render this Agreement null and void, and Resource Provider shall reimburse PREPA immediately for any amounts, payments or benefits received from PREPA under this Agreement.

b. In accordance with Article 3.4 of Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico of the Commonwealth of Puerto Rico, as amended, Resource Provider acknowledges and agrees that its conviction or guilty plea for any of the crimes as enumerated in Article 3.4 of such Act, in addition to any other applicable liability, shall render this Agreement null and void, and Resource Provider shall reimburse PREPA immediately for any amounts, payments or benefits received from PREPA under this Agreement that directly resulted from the committed crime, but only to the extent required by Act 2-2018.

c. PREPA shall have the right to terminate this Agreement if Puerto Rico or United States Federal Court convicts Resource Provider under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, of any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves the misuse of public funds or property, including the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.

d. Resource Provider acknowledges and agrees that the conditions outlined throughout this Section 16.2 constitute essential requirements of this Agreement.

16.3 Remedies & Disputes

Upon the occurrence of a Default, the non-defaulting Party shall have the right to invoke its remedies under this Agreement and/or under Applicable Law. Any Disputes in connection with the existence of a Default shall be resolved in the manner prescribed in Article 21 (*Dispute Resolution*).

17. CHANGE-OF-LAW & TAXES

17.1 Change-of-Law

a. Resource Provider shall bear all costs, including all Taxes and Environmental Costs, applicable to the construction and operation of the Facility, provided that, PREPA shall reimburse Resource Provider:

1. for a Change-of-Law with respect to Applicable Law of any jurisdiction within the United States other than the Commonwealth of Puerto Rico, fifty percent (50%) of the Post-Resource Provider Execution Date Taxes and Post-Resource Provider Execution Date Environmental Costs, subject to Section 17.2 (*Tracking Account*); and

2. for a Change-of-Law with respect to Applicable Law of the Commonwealth of Puerto Rico or any jurisdiction within the Commonwealth of Puerto Rico, one hundred percent (100%) of the Resource Provider's additional costs resulting from measures required to comply with such Change-of-Law,

in each case, arising from such Change-of-Law net of any cost reductions (collectively, the "**Additional Costs**"); and

b. PREPA shall reimburse the Additional Costs by way of an equitable adjustment to the Base Rate. The Parties agree that PREPA shall have the right to (i) an annual audit of the payment or credit adjustments made in accordance with this paragraph, and (ii) adjust the Base Rate if necessary, as a result of the findings of such audit. Both Parties shall have the right to participate in such audit.

17.2 Tracking Account

a. The Parties shall record all Additional Costs referred to in item (1), paragraph (a) of Section 17.1 (*Change-of-Law*) that are paid by PREPA according to Section 17.1 (*Change-of-Law*) in an unfunded tracking account maintained by PREPA (the "**Tracking Account**"). Resource Provider shall have the right, upon reasonable notice and during business hours, to audit PREPA's records reflecting the balance in the Tracking Account and to identify and object to any error in such calculations. If the Parties cannot agree on an adjustment to the balance in the Tracking Account within thirty (30) Days of PREPA's receipt of Resource Provider's objection, then a Party may refer such matter to dispute resolution by either Party pursuant to Article 21 (*Dispute Resolution*).

b. If the Tracking Account has a balance at the end of the twenty-second (22nd) Agreement Year ("**Balance**"), then PREPA shall have the right to withhold and retain up to fifty percent (50%) of the amounts due in each Billing Period of the remaining Term. The Parties shall subtract the retained amount from the Balance until the Balance equals zero (0). If any portion of the Balance remains outstanding at the expiration of the Term under Section

2.2 (*Initial Term*), then PREPA shall have the option to extend the Term up to an additional two (2) Agreement Years as necessary to repay the Balance plus Interest by applying such monthly retention as set forth above. If, at the expiration of the initial Term under Section 2.2 (*Initial Term*), an undisputed deficit exists in the Tracking Account, then PREPA shall pay Resource Provider an amount sufficient to compensate Resource Provider for such deficit within thirty (30) Days after the expiration of the Term. If a Party terminates this Agreement early pursuant to Article 15 (*Termination*) for any reason other than PREPA's Default, and an undisputed balance remains in the Tracking Account (the "**Termination Balance**"), Resource Provider shall repay such Termination Balance plus Interest to PREPA within thirty (30) Days of the Termination Date. Notwithstanding the foregoing, Resource Provider shall have the option to prepay all or any portion of the Balance or the anticipated Termination Balance, if applicable, at any time or from time to time.

17.3 Taxes

a. Resource Provider will promptly pay and discharge all Taxes, assessments, and governmental charges or levies imposed upon it or in respect of all or any part of its property or business, all trade accounts payable in accordance with usual and customary business terms, and all Claims for work, labor or materials which, if unpaid, might become a lien or charge upon any of its property; provided that Resource Provider shall not be required to pay any such Taxes, assessment, charge, levy, account payable or Claim if: (i) the validity, applicability or amount thereof remains contested in good faith by appropriate actions or proceedings which will prevent the forfeiture or sale of any property of Resource Provider or any material interference with the use thereof by Resource Provider, and (ii) Resource Provider shall set aside on its books reserves deemed by it to be adequate with respect thereto.

b. PREPA shall pay or cause to be paid all Taxes on or with respect to (i) the purchase and sale of Net Electrical Output at the Interconnection Point (including sales tax, excise tax, municipal license tax, and value-added tax), and (ii) the purchase, use and disposition of the Ancillary Services and the Green Credits.

18. INSURANCE

18.1 Resource Provider Requirements

Resource Provider shall obtain and maintain in full force and effect from the Construction Start Date and during the Term of this Agreement and thereafter as provided herein policies of insurance covering all operations engaged in by this Agreement, which shall be formally agreed with an insurance company authorized to do business in Puerto Rico, and to that effect, it shall provide in original certificates of insurance and endorsements as follows:

a. *Worker's Compensation Insurance*: If at any time Resource Provider has employees, Resource Provider shall procure and maintain Worker's Compensation Insurance as required by the Worker's Compensation Act of the Commonwealth of Puerto Rico. Resource Provider shall also have responsibility for compliance with said Worker's Compensation Act by all its subcontractors, agents, and invitees. Resource Provider shall furnish PREPA a certificate from the State Insurance Fund, in a form reasonably acceptable to PREPA, showing that all personnel employed in the work are covered by the Worker's Compensation Insurance, in accordance with this Agreement. If imported technical personnel are exempted, as per Act of May 16, 1958 No 16, Resource Provider shall furnish

evidence of such exemption and certificate from the insurance carrier covering said personnel.

b. *Commercial General Liability Insurance*: Resource Provider shall procure and maintain Commercial General Liability Insurance with limits of $1,000,000 per occurrence and $2,000,000 aggregate. Such insurance shall include specific coverage for contractual liability, explosion, collapse and underground damages coverage "XCU," sudden and accidental pollution, products, and completed operations liability.

c. *Automobile Liability Insurance*: Resource Provider shall procure and maintain Automobile Liability Insurance with limits of $1,000,000 combined single limit covering all owned, if any, non-owned, and hired automobiles located in the Commonwealth of Puerto Rico.

d. *Excess Umbrella Liability Insurance*: Resource Provider shall procure and maintain Excess Umbrella Liability Insurance with limits of $4,000,000 per occurrence and in the aggregate in excess of the limits of insurance provided in paragraphs (b), (c) and (g) of this Section 18.1.

e. *All Risk Physical Damage Property Insurance*: Resource Provider shall procure and maintain All Risk Physical Damage Property Insurance, including machinery coverage to cover all real and personal property of Resource Provider (including earthquake and hurricane occurrence) on a replacement cost basis. Resource Provider shall place this insurance policy in effect at the later of the Commercial Operation Date and the termination of the builder's risk insurance policy. The insurance, as required in this paragraph (e) of this Section 18.1, shall, when applicable, cover work at the Site and shall also cover portions of the work located away from the Site and portions of the work in transit. The policy shall include as insured property scaffolding, false work, and temporary buildings located at the Site.

f. *Equipment Breakdown Policy*: Unless included in the All Risk Physical Damage Insurance required in paragraph (e) of this Section 18.1, Resource Provider shall procure and maintain an Equipment Breakdown Policy to cover all equipment and machinery of Resource Provider. This insurance shall name PREPA as an additional insured under this policy.

g. *Employer's Liability Insurance*: To the extent that Resource Provider employs employees, Resource Provider shall procure and maintain Employer's Liability Insurance with minimum bodily injury limits of $1,000,000 for each employee and $1,000,000 for each accident, covering against the liability imposed by Law upon Resource Provider as a result of bodily injury, by accident or disease, including death arising out of and in the course of employment, outside of and in the course of employment, and outside of and distinct from any claim under the Worker's Compensation Act of the Commonwealth of Puerto Rico.

h. *Business Interruption Insurance*: Resource Provider shall procure and maintain Business Interruption Insurance, subject to a thirty (30) day waiting period, as it might be reasonable and economically achievable, including a reasonable deductible (which the Parties shall construe as insurance proceeds actually received by Resource Provider for the purposes of this Agreement) with respect to the Facility to include business interruption/loss of income for at least a six (6) Month period of indemnity based on actual loss sustained and contingent business interruption/loss of income subject to a $10,000,000 sub-limit. Resource Provider shall place this policy into effect on the Commercial Operation Date.

18.2 Requirements for Resource Provider Policies

Resource Provider shall ensure that the provider of the Commercial General Liability Insurance, Automobile Liability Insurance, and Business Interruption Insurance as required under Section 18.1 (*Resource Provider Requirements*), endorses, or provides that, such insurance to include:

a. as Additional Insured:

Puerto Rico Electric Power Authority
Risk Management Office
PO Box 364267
San Juan, PR 00936-4267;

b. a thirty (30) Days' cancellation or nonrenewable notice (ten (10) Days for non-payment of premium) to be sent by certified mail to Resource Provider (with a copy to PREPA) with return receipt to the above address sent by Resource Provider;

c. an endorsement including this Agreement under contractual liability coverage and identifying it by number, date and the Parties, or confirming that the Commercial General Liability form includes contractual coverage for this Agreement;

d. a waiver of Subrogation in favor of PREPA; and

e. the breach of any of the warranties or conditions in these policies by Resource Provider shall not prejudice PREPA's rights under this policy, which may be provided by a standard severability of interests/separation of insured's clause.

18.3 Contractor Requirements

The contractors and designers retained by Resource Provider to construct the Facility shall obtain and maintain in full force and effect before the Construction Start Date, policies of insurance covering all constructions engaged in by this Agreement, which shall be formally agreed with insurance companies authorized to do business in Puerto Rico, and to that effect Resource Provider shall provide in the original certificate of insurance and endorsements, as follows:

a. *Worker's Compensation Insurance*: Resource Provider shall cause its contractors to procure and maintain Worker's Compensation Insurance as required by the Worker's Compensation Act of the Commonwealth of Puerto Rico. Resource Provider shall also have responsibility for compliance with said Worker's Compensation Act by all its subcontractors, agents, and invitees. Resource Provider shall furnish PREPA a certificate regarding its contractors from the State Insurance Fund, in a form reasonably acceptable to PREPA, showing that all personnel employed in the work are covered by the Worker's Compensation Insurance, in accordance with this Agreement. If imported technical personnel are exempted, as per Act of May 16, 1958, No. 16, Resource Provider shall furnish evidence of such exemption and certificate from the insurance carrier covering said personnel.

b. *Employer's Liability Insurance*: Resource Provider shall cause its contractors to procure and maintain Employer's Liability Insurance with minimum bodily injury limits of $1,000,000 for each employee and $1,000,000 for each accident, covering against the liability imposed by Law upon its contractors as a result of bodily injury, by accident or

disease, including death arising out of and in the course of employment and outside of and distinct from any claim under the Worker's Compensation Act of the Commonwealth of Puerto Rico.

c. *Commercial General Liability Insurance*: Resource Provider shall cause its contractors to procure and maintain Commercial General Liability Insurance ("**CGL**") with limits of $1,000,000 per occurrence and $2,000,000 aggregate. There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability arising from pollution, explosion, collapse, or underground "XCU" property damage perils. Continuing CGL insurance shall cover liability arising from products completed operations and liability assumed under an insured contract for at least two (2) Years following substantial completion of the work.

d. *Automobile Liability Insurance*: Resource Provider shall cause its contractors to procure and maintain Automobile Liability Insurance with limits of $1,000,000 combined single limit covering all owned, non-owned, and hired automobiles located in the Commonwealth of Puerto Rico.

e. *Excess Umbrella Liability Insurance*: Resource Provider shall cause its contractors to procure and maintain Excess Umbrella Liability Insurance with limits of $4,000,000 per occurrence and in the aggregate in excess of the limits of insurance provided in paragraphs (c) and (d) of this Section 18.3.

f. *Builder's Risk Insurance*: Resource Provider shall procure or cause its prime contractors to procure and maintain in force Builder's Risk Insurance for the entire work. Such insurance shall be written in an amount equal to the total contract sum as well as subsequent modifications of that sum. The insurance shall apply on a replacement cost basis and coverage shall be written on a completed value form as follows:

1. The insurance as required above shall be written to cover all risks of physical loss except those specifically excluded in the policy, including industry standard sub-limits and aggregate limits.

2. Resource Provider shall pay any deductible applicable to the insurance purchased in compliance with this requirement.

3. *Waiver of Subrogation*. Resource Provider shall cause the builder's risk insurers to waive all rights of subrogation against PREPA and its officers, directors, agents, and employees for recovery for damages caused by fire and other perils to the extent covered by builder's risk or property insurance purchased pursuant to the requirements of this Agreement or any other property insurance applicable to the work.

18.4 Requirements for the Contractor Policies

Resource Provider shall cause its contractors to ensure that the provider of the Commercial General Liability Insurance and Automobile Liability Insurance, as required under Section 18.3 (*Contractor Requirements*), endorses, or provides that, such insurance to include:

a. as Additional Insured:

Puerto Rico Electric Power Authority
Risk Management Office
PO Box 364267
San Juan, PR 00926-4267;

b. a thirty (30) Days' cancellation or nonrenewable notice to be sent by certified mail with return receipt to the above address;

c. an endorsement including this Agreement under contractual liability coverage and identifying it by number, date, and the Parties, or confirming that the Commercial General Liability form includes contractual coverage for this Agreement;

d. a waiver of Subrogation in favor of PREPA; and

e. the breach of any of the warranties or conditions in these policies by the relevant contractor or designer shall not prejudice PREPA's rights under this policy, which may be provided by a standard severability of interests/separation of insureds clause.

18.5 Application of Proceeds

Subject to the terms and conditions of any direct agreement or other similar agreement executed by PREPA, Resource Provider and/or a Project Lender, Resource Provider shall apply any and all insurance proceeds received in connection with the damage or loss of the Facility toward the repair, reconstruction, or replacement of the Facility, as permitted by Project Lenders.

18.6 General Provision

PREPA shall review the requirements of this Article 18 prior to the Construction Start Date to confirm that an insurance company meeting the requirements of this Article 18 continues to make available the foregoing policies. The Resource Provider, its contractors and subcontractors shall cause its insurers or agents to provide not later than ten (10) Business Days prior to the Construction Start Date, with originals or certified true and correct copies of insurance certificates for such policies (which have entered into full force and effect), in a form of certificate approved by PREPA, which approval PREPA shall not unreasonably withhold or delay. Any deductible applicable on required insurance policies under this Article 18 shall be paid by the Resource Provider, its contractors, or subcontractors. Failure of each party to obtain certificates of insurance does not relieve the Resource Provider, contractor or subcontractor of the insurance requirements set forth herein. Failure to obtain the insurance coverage required by this Article 18 shall in no way relieve or limit the Resource Provider, contractor or subcontractor obligations or liabilities under this Agreement.

19. ASSIGNMENT & TRANSFER

19.1 Restriction on Assignment

Except as otherwise provided in this Article 19, neither Party shall assign or transfer this Agreement without the prior written consent of the other Party, which consent such Party shall not unreasonably withhold or delay. Any attempt to assign this Agreement without the prior written consent of the corresponding Party shall be void. Any failure of a Party to respond to any request by the other Party for consent to assignment pursuant to this Section 19.1 shall not be deemed or construed as an acceptance or consent to such proposed assignment.

19.2 PREPA's Right to Assign

Notwithstanding the provisions of Section 19.1 (*Restriction on Assignment*), the Parties acknowledge that PREPA is undergoing a transformation process, and therefore agree that, after the front-end transition period of a Partnership Contract, Sale Contract, or any other PREPA Transaction (as these terms are defined in Act 120-2018), PREPA may sell, assign, convey, transfer, pledge, mortgage, sublease, delegate, hypothecate, or otherwise dispose (each, a "**Transfer**") any of its rights, title, or interest in this Agreement as permitted by Applicable Law and at any time, without Resource Provider's consent, and without cost, expense, or incremental liability to PREPA, to a T&D Operator, an Affiliate of PREPA or any Governmental Authority of Puerto Rico; provided that PREPA shall notify Resource Provider no later than thirty (30) Days before the effective date of any such Transfer. Unless otherwise agreed by PREPA, following the Transfer, PREPA shall be released from all obligations under this Agreement to the extent such transferee assumes such obligations in writing, provided that, for any Transfer to an Affiliate of PREPA, PREPA shall guarantee the payment obligations of such Affiliate arising out of this Agreement following such assignment.

19.3 Resource Provider's Right to Assign

Notwithstanding the provisions of Section 19.1 (*Restriction on Assignment*), Resource Provider shall have the right to assign, pledge or encumber this Agreement in its entirety or in part without PREPA's consent to the Project Lenders as collateral security in order to obtain financing or other funding. PREPA agrees to execute and deliver an agreement consenting to any assignment as collateral security in favor of the Project Lenders containing terms and conditions that are customary for transactions of this kind. PREPA agrees to cooperate in good faith in this regard and to provide other customary and reasonable documents and acknowledgments as the Project Lenders may reasonably request in connection with the financing of the Facility, including estoppel certificates and direct agreement or consent to an assignment in accordance with this Section 19.3 and substantially in the form of Appendix X (*Form of Direct Agreement*) and a legal opinion addressed to the Project Lenders with respect to due authorization and capacity of PREPA to enter into such agreement or consent, and enforceability thereof, in each case as reasonably acceptable to PREPA, provided that Resource Provider shall reimburse PREPA for the documented out-of-pocket costs of negotiating and providing such documents, acknowledgments, opinions, certificates, consents, and agreements. In addition, Resource Provider shall have the right to assign this Agreement as collateral security to any agent, trustee, or other Person (including any corporation or partnership) representing the Project Lenders under the Financing Documents. If Resource Provider shall assign this Agreement as collateral security pursuant to this Section 19.3, then so long as the secured obligations, or any consolidation, modification, or extension of such obligation shall remain outstanding, the following provisions shall apply:

a. The making of an assignment pursuant to the preceding provisions of this Section 19.3 shall not be deemed to constitute an assignment or transfer of this Agreement, nor shall any assignee referred to above, as such, be deemed to be an assignee or transferee of this Agreement so as to require such assignee, as such, to assume the performance of any of the terms and conditions of Resource Provider to be performed hereunder; provided that the purchaser at any sale of this Agreement in any proceeding for the foreclosure of any assignment, or the assignee or transferee of this Agreement in any proceedings for the foreclosure of any assignment, or the assignee or transferee of this Agreement under any instrument of assignment or transfer in lieu of the foreclosure of any assignment, shall be deemed to be an assignee or transferee within the meaning of this paragraph (a) of this Section 19.3 and shall be deemed to have agreed to perform all of the terms, covenants and

conditions on the part of Resource Provider to be performed hereunder from and after the date of such purchase and assignment.

b. Notwithstanding any other provision of this Agreement, any sale of Resource Provider's rights in this Agreement in any secured creditor's sale, any proceeding for the foreclosure of any assignment, or the assignment or transfer of this Agreement in lieu of the foreclosure of any assignment, shall be deemed to be a permitted sale, transfer or assignment of this Agreement, and this Agreement shall continue in full force and effect following any such sale, transfer or assignment.

c. If PREPA terminates this Agreement prior to the expiration of the Term due to a Default by Resource Provider or rejects or disaffirms this Agreement pursuant to any bankruptcy Law or proceeding or other similar Applicable Law or proceedings affecting creditors' rights generally with respect to a bankruptcy proceeding relating to Resource Provider or otherwise, PREPA agrees, if outstanding obligations to a Project Lender exist, and subject to the receipt of all necessary approvals, to enter into a new power purchase and operating agreement with the Project Lender (or its designee or nominee) on substantially similar terms to this Agreement; provided that such designee or nominee (i) qualifies as a Substitute Provider (as defined in the form of direct agreement included at Appendix X (*Form of Direct Agreement*), (ii) has provided to PREPA (x) its audited financial statements prepared in accordance with GAAP, demonstrating that such new designee or nominee has an Unrestricted Net Worth of at least twenty-five million dollars ($25,000,000) (or that its direct or indirect parent has an Unrestricted Net Worth of at least seventy-five million dollars ($75,000,000)), and (y) the certifications and documentation required by Appendix B (*PREPA Signing Conditions*), but construing references to Resource Provider therein as references to such new designee or nominee, and (iii) has accepted all terms, provisions and limitations of this Agreement, effective as of the date of such termination.

Resource Provider shall not have the right to assign its rights, title, or interest under this Agreement to any Affiliate of Resource Provider without the prior express written consent of PREPA, unless (i) such Affiliate agrees to be bound by the terms of this Agreement and to fully perform the obligations of Resource Provider hereunder (including Appendix B (*PREPA Signing Conditions*)), (ii) each Sponsor maintains at least the same percentage of the total equity ownership interest in such Affiliate, whether directly or indirectly, as Equity it owns, directly or indirectly, in Resource Provider at the time of such assignment, and (iii) Resource Provider or a Sponsor owns, directly or indirectly, no less than fifty-one percent (51%) of the total equity in such Affiliate. Resource Provider shall notify PREPA of Resource Provider's intention to assign this Agreement at least thirty (30) Days in advance of any such assignment.

19.4 Restrictions on Equity Transfers

a. Resource Provider shall ensure that each Sponsor does not assign, sell or transfer (whether directly or indirectly) to any other Person any part of its ownership interests in Resource Provider or renounce any preferential subscription rights for ownership interests in connection with a capital increase (each, a "**Equity Transfer**") at any time prior to the Commercial Operation Date. On or after the Commercial Operation Date, Resource Provider shall ensure that no Sponsor effects an Equity Transfer at any time without the prior express written consent of PREPA, which consent PREPA shall not unreasonably withhold or delay. Notwithstanding the foregoing, a Sponsor may, without PREPA's consent:

1. create a security interest in its direct or indirect ownership interest in Resource Provider in favor of the Project Lenders, and PREPA hereby approves any Equity Transfer thereof resulting from the enforcement of such security interests in accordance with the Financing Documents of the Project Lenders;

2. (i) prior to the Commercial Operation Date, effect an Equity Transfer solely in connection with a financing transaction involving Tax Credits under Section 48 of the U.S. Internal Revenue Code, provided that such transfer does not result in the Control of Resource Provider or the Project being transferred to a third party other than such Sponsor (directly or indirectly) or Resource Provider, as applicable; and (ii) at any time after the Commercial Operation Date, effect an Equity Transfer back to Resource Provider or such Sponsor (directly or indirectly), as applicable, pursuant to the terms of such financing transaction entered into prior to the Commercial Operation Date involving Tax Credits under Section 48 of the U.S. Internal Revenue Code;

3. effect an Equity Transfer to: (x) for Equity Transfers prior to the Construction Start Date, a Person that (i) has provided to PREPA (A) its audited financial statements prepared in accordance with GAAP, demonstrating that such Person has an Unrestricted Net Worth of at least twenty-five million dollars ($25,000,000) (or that its direct or indirect parent has an Unrestricted Net Worth of at least seventy-five million dollars ($75,000,000) (a "**Qualified Sponsor**")), and (B) the certifications and documentation required by Appendix B (*PREPA Signing Conditions*), but construing references to Resource Provider therein instead as a reference to such Person, and (ii) does not qualify as a Restricted Person; and (y) for Equity Transfers at any time after the sixth (6th) Month following the Commercial Operation Date, a Person that (1) has provided to PREPA the certifications and documentation required by Appendix B (*PREPA Signing Conditions*), but construing references to Resource Provider therein instead as a reference to such Person, and (2) does not qualify as a Restricted Person (such Person under clauses (x) or (y), a "**Qualified Transferee**"); provided that, in the case of clauses (x) and (y), such Equity Transfer does not result in a transfer of more than forty-nine percent (49%) of the issued and outstanding shares and voting rights in Resource Provider to any Person other than a Sponsor or a Wholly-Owned Affiliate of a Sponsor; or

4. effect an Equity Transfer to a Wholly-Owned Affiliate of a Sponsor;

provided that, in the case of items (3) and (4), paragraph (a) of this Section 19.4, if such Person does not have an Unrestricted Net Worth of at least twenty-five million dollars ($25,000,000), and the Equity Transfer would otherwise result (upon expiration of the applicable cure period) in a Payment Guarantee Cross-Default for Resource Provider's failure to provide and maintain a Payment Guarantee from a Permitted Guarantor, a Permitted Guarantor shall have agreed to guarantee the payment obligations of Resource Provider pursuant to a replacement Payment Guarantee executed and delivered to PREPA concurrently with such Equity Transfer.

b. If Resource Provider intends to effect an Equity Transfer, then it shall notify PREPA of such intention at least thirty (30) Days in advance of the intended date of such transfer. The failure of PREPA to respond to any request by Resource Provider for consent to transfer pursuant to this Section 19.4, shall not be deemed or construed as an acceptance or consent

to such proposed transfer. PREPA acknowledges and agrees that the identity and existence of such third party, and the potential transfer, shall be kept confidential in accordance with Section 12.9 (*Confidentiality*); and if requested by Resource Provider, PREPA shall enter into a confidentiality agreement with respect to the same, in a form reasonably acceptable to PREPA, provided that Resource Provider shall reimburse PREPA for its documented out-of-pocket costs of negotiating and executing such agreement. Prior to PREPA's consent to any Equity Transfer, Resource Provider shall cause the proposed new owner of such equity to provide to PREPA reasonable evidence that such new owner is a Qualified Transferee. In each case, Resource Provider shall obtain any regulatory approvals required in respect of such transfer and ensure such transfer otherwise complies with Applicable Law.

19.5 Restrictions on Asset Transfers

a. Resource Provider shall not sell or transfer, directly or indirectly, the Facility, any portion of the Facility or substantially all of its assets either (i) at any time prior to the Commercial Operation Date, or (ii) for any such sale or transfer occurring on or after the Commercial Operation Date, without PREPA's prior express written consent, which consent PREPA shall not unreasonably withhold or delay. The foregoing prohibition shall not apply to any such transfer that (1) forms part of a foreclosure on any mortgage, lien, pledge, charge or other encumbrance granted to the Project Lenders under any non-recourse project financing related exclusively to such assets and such lenders or their agent have entered into a direct agreement with PREPA in respect of the collateral assignment of this Agreement and the Interconnection Agreement, or (2) constitutes a permitted assignment under Section 19.3 (*Resource Provider's Right to Assign*).

b. If Resource Provider intends to sell the Facility, or any portion of the Facility, or substantially all of its assets, pursuant to PREPA's consent under the first sentence of paragraph (a) of this Section 19.5, then it shall notify PREPA of its intention to sell at least sixty (60) Days in advance of the intended date of such sale. PREPA shall not unreasonably withhold or delay its consent to any such sale or transfer, provided that the failure of PREPA to respond to any request by Resource Provider for consent to such a sale or transfer shall not be deemed or construed as an acceptance or consent to such proposed sale or transfer. Prior to PREPA's consent to any such asset transfer, Resource Provider shall cause the proposed new owner to provide PREPA with (i) its audited financial statements prepared in accordance with GAAP, demonstrating that such new owner has an Unrestricted Net Worth of at least twenty-five million dollars ($25,000,000) (or that its direct or indirect parent is a Qualified Sponsor), and (ii) reasonable evidence that such new owner is a Qualified Transferee. In each case, (1) Resource Provider shall obtain any regulatory approvals required in respect of such transfer and ensure such transfer otherwise complies with Applicable Law, and (2) if requested by PREPA, the Parties and such new owner shall enter into an agreement under which (A) Resource Provider assigns and transfers all of its rights and obligations under this Agreement to such new owner, and (B) such new owner expressly assumes all liabilities of Resource Provider arising under this Agreement prior to the date of such assignment.

20. NOTICES

20.1 General.

All notices and other communications hereunder shall be in writing, other than Dispatch Notices, curtailment or disconnect orders, which may be oral and immediately confirmed via e-mail, and shall be deemed duly given upon receipt after being delivered by hand or sent by e-mail with read receipt confirmation, registered or certified mail, return receipt requested, postage prepaid or by recognized overnight courier service, addressed as follows:

IF TO RESOURCE PROVIDER:

CS-UR Juncos PV LLC
154 Calle Rafael Cordero, Suite 700
San Juan, PR 00902
Attention: Mr. Gerardo Adame Álvarez and Mr. Jorge Romero Barbado
E-mail: [redacted]

IF TO PREPA:

Puerto Rico Electric Power Authority
1110 Ponce de León Avenue, Office #808
San Juan, Puerto Rico
Attention: Deputy Director of Operations Office
E-mail [redacted]

with a copy to, for so long as LUMA Energy LLC and LUMA Energy ServCo LLC collectively serve as the "Operator" under the OMA:

LUMA Energy, LLC
Juan Ruiz Velez Building, Office 04-015
1110 Ponce de León Avenue
San Juan, Puerto Rico
Attention: Brian Walsh
E-mail [redacted]

20.2 Change of Address or Persons.

Either Party hereto may change, by notice as above provided, the Persons or addresses to which such notices are sent.

21. DISPUTE RESOLUTION

21.1 Scope of the Dispute Resolution Provisions

Except as otherwise expressly provided in this Agreement, the Parties shall resolve any dispute arising out of, relating to or in connection with this Agreement, including the existence, interpretation, breach, termination or validity of this Agreement (a "**Dispute**") in accordance with the procedures set forth in this Article 21, which shall constitute the sole and exclusive procedures for the resolution of each such Dispute (the "**Dispute Resolution Procedure**").

21.2 Commencement of the Dispute Resolution Procedure

a. If a Dispute arises, then either Party may initiate the Dispute Resolution Procedure by giving a written notice of the Dispute to the other Party (each, a "**Dispute Notice**").

b. The delivery of a Dispute Notice pursuant to this Section 21.2 shall toll any limitation period imposed by either this Agreement or Applicable Law in respect of a Dispute.

21.3 Negotiation

a. Upon receipt of a Dispute Notice from a Party, each Party shall nominate a member of its respective senior management, who shall have decision-making authority on behalf of such Party (each, a "**Designated Person**"), and shall cause its Designated Person to promptly meet and negotiate in good faith with the other Designated Person and attempt to resolve the Dispute within thirty (30) days after the date of the delivery of the Dispute Notice, or such longer period as the Designated Persons may otherwise agree (the "**Negotiation Period**").

b. If the Dispute remains unresolved at the end of the Negotiation Period, then (i) if the Parties agree, the Parties may refer the Dispute for technical review in proceedings before an Independent Expert in accordance with Section 21.4 (*Technical Recommendation*) such Dispute (a "**Technical Dispute**") or (ii) either Party may refer the Dispute to arbitration pursuant to Section 21.5 (*Arbitration*).

21.4 Technical Recommendation

a. If the Parties agree that a Dispute qualifies as a Technical Dispute, then the Parties shall refer such Dispute to the Independent Expert for a recommended resolution (a "**Technical Recommendation**") by providing to the Independent Expert a written notice, specifying the matter for determination. The Parties shall conduct hearings before the Independent Expert in San Juan, Puerto Rico, unless otherwise agreed in writing by the Parties. Within thirty (30) Days of the engagement of the Independent Expert for a Technical Dispute (or such longer period of time as the Parties may mutually agree in writing), the Parties shall require that the Independent Expert conducts a hearing; provided that the Parties may agree in writing to waive the hearing and have the Independent Expert issue the Technical Recommendation on the basis of written submissions alone. The Parties shall require that the Independent Expert render a written recommendation on the Technical Dispute as soon as practicable after the close of the hearing but, in any case, no later than fifteen (15) Days after the close of the hearing. The Parties will share equally in paying the costs of the Independent Expert.

b. The Parties may resolve the Technical Dispute based on the Technical Recommendation or any mutually agreed modification thereof. If the Parties cannot resolve the Technical Dispute following the issuance of the Technical Recommendation, then either Party may submit the matter for final determination by arbitration in accordance with Section 21.5 (*Arbitration*).

21.5 Arbitration

a. Either Party may initiate mandatory binding arbitration by providing written notice of a demand thereof administered in accordance with the Regulation on Mediation and

Arbitration Procedures of the Puerto Rico Energy Commission as supplemented by the Arbitration Rules of the International Chamber of Commerce then in effect (collectively, the "**Arbitration Rules**"), before a panel of three (3) neutral arbitrators (each, an "**Arbitrator**" and collectively, the "**Tribunal**"). To be qualified as an Arbitrator, the Parties shall select each candidate from PREB's list of arbitrators (as supplemented by the list of arbitrators available from the International Chamber of Commerce). Each Arbitrator shall be impartial and independent of either Party and the other Arbitrators, and not employed by any of the Parties in a prior matter.

b. Notwithstanding the rules and procedures that would otherwise apply to the arbitration, and unless the Parties agree to a different arrangement, the place of the arbitration will be in San Juan, Puerto Rico.

c. Subject to Article 11 (*Liability*), the Tribunal will have the authority to grant any form of equitable or legal relief a Party might recover in a court action. Each of the Parties (the "**First Party**") acknowledge and agree that (i) the other Party would suffer irreparable damage in the event that the First Party fails to perform certain provisions of this Agreement in accordance with the terms of the Agreement, (ii) monetary damages will not provide a sufficient remedy for any breach of these provisions of this Agreement by the first Party, and (iii) the other Party shall be entitled, without the requirement of posting a bond or other security, to specific performance and injunctive or other equitable relief as a remedy for a breach of this Agreement by the First Party.

d. Either Party may enter judgment on the award in any court having jurisdiction.

e. The Tribunal shall have discretion to allocate any portion of the costs of the arbitration (other than each Party's individual attorneys' fees and costs related to the Party's participation in the arbitration, which fees and costs will be borne by such Party), including the fees of the Tribunal and any expert witnesses, against the Party that the Tribunal determines did not prevail. Until the Tribunal renders such award, however, the Parties will share equally in paying the costs of the arbitration. Notwithstanding the foregoing, any costs incurred by a Party in seeking judicial enforcement of any written decision of the Tribunal shall be chargeable to, and borne exclusively by, the Party against whom such court order is successfully obtained.

f. At the conclusion of the arbitration hearing, the Tribunal shall prepare in writing and provide to each Party a decision setting forth factual findings, legal analysis, and the reasons on which the Tribunal's decision is based.

22. MISCELLANEOUS PROVISIONS

22.1 Waiver & Amendment

This Agreement, including the appendices hereto, may be amended or waived only by written agreement between the Parties. A waiver of any Default shall extend only to the particular Default waived and shall not limit or otherwise affect any rights that either Party may have with respect to any other or future Default. The Parties acknowledge and agree that any amendments to the economic or technical terms of this Agreement, or the scope of the Facility, require PREB approval.

22.2 Strict Performance

The failure of either Party to insist in any one or more instances upon strict performance of any provisions of this Agreement, or to take advantage of any of its rights hereunder, shall not be construed as a waiver of any such provisions or the relinquishment of any such right or any other right hereunder, which shall remain in full force and effect, unless agreed in writing between the Parties.

22.3 No Third-Party Beneficiaries

The Parties intend this Agreement solely for the benefit of themselves and, solely to the extent rights thereto are provided in this Agreement, for the benefit of the Project Lenders as third-party beneficiaries. Nothing in this Agreement shall be construed to create any duty to, or standard of care with reference to, or any liability to, any Person not a Party to this Agreement.

22.4 Resource Provider Certification Requirement

The Parties acknowledge that Resource Provider has submitted the certification titled "Contractor Certification Requirement" required in accordance with the Contract Review Policy of the FOMB, effective as of November 6, 2017 and amended on October 30, 2020, signed by Resource Provider's Executive Director (or another official with an equivalent position or authority to issue such certifications). The Parties have attached a signed copy of the "Contractor Certification Requirement" as Appendix S (*Form of FOMB Certification*) to this Agreement.

22.5 No Sharing of Benefit

No officer, employee, or agent of Resource Provider or PREPA or municipal governments shall be entitled to any share or part of this Agreement or to any benefit that may arise therefrom that would be in violation of any Applicable Law of the Commonwealth of Puerto Rico or policy of PREPA.

22.6 No Association, Joint Venture, or Partnership

This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between the Parties or to impose any partnership obligation or liability upon either Party. Neither Party shall have any right, power, or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as, or be an agent or representative of, or to otherwise bind, the other Party.

22.7 Successors

This Agreement shall inure to the benefit of and be binding upon Resource Provider and PREPA and their respective successors and assigns.

22.8 Complete Agreement & Conflicts

The Parties intend this Agreement as the final expression of their agreement and also as a complete and exclusive statement of the terms of their agreement with respect to the subject matter hereof that supersedes all prior written and oral understandings between the Parties with respect thereto. In the event of any conflict between this Agreement and the Interconnection Agreement or any other Project documents, this Agreement shall prevail.

22.9 Severability

If any provision hereof shall be held invalid, illegal, or unenforceable by the holding of an arbitral authority convened pursuant to Article 21 (*Dispute Resolution*), such holding shall not invalidate or render unenforceable any other provision hereof.

22.10 Anticorruption & Antibribery

Resource Provider certifies as of the Closing Date that, to its actual knowledge, it does not receive payment or benefit of any nature for services rendered regularly through an appointment to a Governmental Authority of Puerto Rico.

22.11 No Economic Interest

Resource Provider represents, warrants, and certifies as of the Closing Date, to its actual knowledge, that no public employee has any personal or economic interest in this Agreement.

22.12 Code of Ethics

Resource Provider agrees to comply with the provisions of Act of June 18, 2002, No. 84, as amended, which establishes a Code of Ethics for the Contractors, Suppliers and Economic Incentive Applicants of the Executive Agencies of the Commonwealth of Puerto Rico.

22.13 Independent Contractor

Resource Provider shall be considered as an independent contractor, for all material purposes under this Agreement, and all Persons engaged or contracted by Resource Provider for the performance of its obligations herein, shall be considered as its employees or agents or those of its subcontractors, and not as employees or agents of PREPA.

22.14 Counterparts

This Agreement may be executed in any number of counterparts with the same effect as if both Parties hereto had signed the same document. All counterparts shall be construed together and shall constitute one instrument.

22.15 Governing Law

This Agreement shall be governed by, construed, and enforced in accordance with the Laws of the Commonwealth of Puerto Rico without regard to any contrary result required under applicable conflicts of laws rules. The Parties herein agree that all Disputes arising hereunder shall be resolved pursuant to Article 21 (*Dispute Resolution*).

[SIGNATURES APPEAR ON THE FOLLOWING PAGE.]

IN WITNESS WHEREOF, the Parties hereto have agreed to execute this Agreement in San Juan, Puerto Rico, as of the Agreement Date.

PUERTO RICO ELECTRIC POWER AUTHORITY

Josué Colón

Executive Director

Tax ID Number: 660433747

CS-UR JUNCOS PV LLC

Gerardo Adame Álvarez

Authorized Representative

Tax ID Number: 468734

Jorge Romero Barbado

Authorized Representative

Tax ID Number: 468734

APPENDIX A

HOLIDAYS

PREPA recognizes the following holidays and observes all holidays that fall on a Sunday on the following Business Day:

DAY	CELEBRATION
January 1	New Year's Day
January 6	Three Kings Day/Epiphany
3rd Monday in January	Martin Luther King
3rd Monday in February	Presidents and Illustrious Puerto Ricans Day
March 2	American Citizenship Day
March 22	Emancipation Day
Friday of Holy Week	Good Friday
Sunday of Holy Week	Easter Sunday
2nd Sunday in May	Mothers' Day
Last Monday in May	Memorial Day
3rd Sunday in June	Fathers' Day
June 19	Juneteenth National Independence Day
July 4	Independence Day
July 25	Puerto Rico Constitution Day
1st Monday in September	Labor Day
2nd Monday in October	Columbus Day
November 19	Discovery of Puerto Rico
November 11	Veterans Day
4th Thursday in November	Thanksgiving Day
December 24	Christmas Eve
December 25	Christmas Day

APPENDIX B

PREPA SIGNING CONDITIONS

1. Prior to the signing of this Agreement by PREPA, Resource Provider shall provide:

   a. an original certificate of tax status and compliance from the Commonwealth of Puerto Rico for the five (5) previous years, confirming that it does not owe Taxes to the Commonwealth of Puerto Rico or is paying such Taxes by an installment plan in full compliance with its terms;

   b. an income tax return filing certificate issued by the Treasury Department of Puerto Rico, Area of Internal Revenues assuring that Resource Provider has filed its Income Tax Return for the last five (5) years (obtained by using the Request for Copy and/or Certification of Income Tax Returns Form issued by the Treasury Department of Puerto Rico);

   c. a certificate of debt issued by the Treasury Department of Puerto Rico, Area of Internal Revenues;

   d. a certificate issued by the Municipal Revenues Collection Center assuring that Resource Provider does not owe any Taxes to such governmental agency;

   e. a certificate issued by the Department of Labor and Human Resources of Puerto Rico, evidencing that Resource Provider has paid to the Department of Labor and Human Resources of Puerto Rico, if applicable, its employees' contributions, in accordance with the Puerto Rico Employment Security Act (unemployment, temporary disability or sickness or social security for chauffeurs) or is paying such contributions by an installment plan in full compliance with its terms;

   f. a certificate issued by the Child Support Administration (ASUME) evidencing that Resource Provider has complied with the retention, if applicable, that an employer must do;

   g. a sworn and notarized statement, as of the Agreement Date, evidencing compliance with Article 3.3 Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico of the Commonwealth of Puerto Rico, as amended, in the form set forth in Appendix R (*Form of Sworn Statement*);

   h. a certification, as of the Agreement Date, that, to its actual knowledge, no public employee has any personal or economic interest in this Agreement, under Section 22.11 (*No Economic Interest*);

   i. a certification, as of the Agreement Date, that, to its actual knowledge, it does not receive payment or benefit of any nature for services rendered regularly through an appointment to a Governmental Authority of Puerto Rico, under Section 22.10 (*Anticorruption & Antibribery*);

   j. if any of the previously required certifications show a debt, and Resource Provider has requested a review or adjustment of this debt, a certification that Resource Provider has made such request at the Agreement Date; and if PREPA denies the requested review or

adjustment and such determination is final, proof of payment of this debt to PREPA or confirmation that Resource Provider accepts that PREPA shall offset the owed amount from the corresponding payments;

k. evidence of Resource Provider's ability to provide Equity at least equal to the sum of (i) thirty percent (30%) of the forecasted costs to develop the Facility and (ii) the PREPA Interconnection and System Upgrade Costs by the forecasted date on which Resource Provider will first draw down on funds for such development under the Financing Documents with the Project Lenders;

l. documents evidencing Resource Provider's ownership and/or control of the Site for the purposes of implementing the Project; and

m. the certification set forth in Appendix S (*Form of FOMB Certification*).

2. Prior to the signing of this Agreement by PREPA, the FOMB, PREB and P3A shall have approved the execution of this Agreement.

APPENDIX C

CONDITIONS PRECEDENT

PART 1 - RESOURCE PROVIDER CONDITIONS

As conditions precedent to the Closing Date, Resource Provider shall deliver the following documents to PREPA in form and substance satisfactory to PREPA:

a. the Performance Security;

b. a certificate, signed by a duly-authorized representative of Resource Provider, in the form set forth in Appendix AA (*Form of Warranty Compliance Certificate*);

c. a legal opinion prepared by Resource Provider's external counsel, confirming the warranty made by Resource Provider in item (4), paragraph (a) of Section 12.3 (*Resource Provider Representations & Warranties*);

d. the following technical documents:

1. the Energy Yield Assessment Report;

2. a preliminary engineering design of the Facility, consistent with Prudent Electrical Practices, the Interconnection Agreement and the MTRs;

3. a proposed relay protection scheme (to include the PREPA Interconnection Facilities and the Resource Provider Interconnection Facilities); and

4. a certified PSS/E mathematical model of the specific facility, the manufacturer's performance data and expected output curve;

e. the Payment Guarantee;

f. appointment of Service of Process Agent; and

g. certified true and correct copy, signed by a duly-authorized representative of Resource Provider, of a wire transfer confirming that Resource Provider has remitted the Non-Refundable Fee to the following account:

Receiving Bank Address:	Banco Popular of Puerto Rico Ponce de Leon Ave., No. 209 San Juan, PR 00918
ABA No.:	021502011
Beneficiary Name:	Puerto Rico Electric Power Authority
Account Number:	203834253
Payment Details:	Tranche 1 RFP – Non-Refundable Fee

PART 2 - PREPA CONDITIONS

PREPA shall satisfy the following as conditions precedent to the Closing Date:

a. completion of the Feasibility Study, System Impact Study and Facility Study;

b. evidence of filing of this Agreement with the Puerto Rico Controller; and

c. delivery of a legal opinion prepared by its external counsel in a form reasonably acceptable to Resource Provider, confirming the warranty made by PREPA in paragraph (b) of Section 12.4 (*PREPA Representations & Warranties*).

PART 3 - OTHER CONDITIONS

As conditions precedent to the Closing Date, the following events shall have occurred or apply:

a. the FOMB shall have recognized that Resource Provider's costs and obligations owed to Resource Provider arising under this Agreement are administrative expenses and entitled to priority treatment within the meaning of section 5.3 of the Bankruptcy Code, as made applicable by section 301(a) of PROMESA;

b. the execution and delivery of the Interconnection Agreement by the Parties, provided that if Resource Provider has exercised commercially reasonable efforts to satisfy this condition, then PREPA's termination of this Agreement due to failure to execute and deliver the Interconnection Agreement shall not constitute a breach of the Agreement Date Obligations and PREPA shall return the Bid Security;

c. the absence of any Legal Challenge;

d. the issuance by PREPA of a Best Interests Determination; and

e. to the extent that the PREPA Interconnection and System Upgrade Cost, as determined in accordance with the Interconnection Agreement during the procurement of the construction contract for such facilities and notified by PREPA to Resource Provider prior to the Closing Date (the "**Contracted Cost**"), differs from the estimated cost of the PREPA Interconnection Facilities (which totaled $6,644,839 without System Upgrades) presented to Resource Provider by the T&D Operator on or around June 1, 2022 (the "**Estimated Cost**"), an amendment by the Parties of this Agreement (including all necessary approvals) to reflect a mutually agreed adjustment to the Interconnection Cost Recovery Component of the Base Rate that accounts for such difference calculated as follows:

Adjusted Interconnection Cost Recovery Component = A × (P1 / P2)

where:

A = the Interconnection Cost Recovery Component as at the Agreement Date, as set forth in Appendix F (*Compensation*);

P1 = the aggregate of the amount of (i) the Contracted Cost (as defined above), and (ii) the final Non-Refundable Fee notified prior to the Closing Date; and

P2 = the aggregate of the amount of (i) the Estimated Cost (as defined above), and (ii) the Non-Refundable Fee as notified prior to the Agreement Date,

provided that, if the Parties increase the Interconnection Cost Recovery Component of the Base Rate in accordance with the above, then the Parties shall mutually agree to an amendment to increase the maximum Base Rate (i.e., the price cap) set out in the final proviso of Section 3 (*Base Rate*) of Appendix F (*Compensation*) sufficient to ensure that such maximum rate does not prevent the Resource Provider from recovering the difference between the Contracted Cost and Estimated Cost through the increase in the Interconnection Cost Recovery Component determined in accordance with this paragraph.

Milestones	Time for Completion / Occurrence*	Resource Provider Delay Liquidated Damages (USD Per Day of Delay)

APPENDIX E

RESOURCE PROVIDER PERMITS

Resource Provider shall obtain the following licenses, permits and authorizations and any other licenses, permits and authorizations required by the Agreement.

Issuing Agency	Permit Description	Date Required or Received
Federal		
US-EPA	NPDES General Construction Permit - Storm Water Pollution Prevention Plan (SWPPP)	Prior to Construction Start Date
Commonwealth		
PR-PMO	Environmental Compliance REA-DEA. Compliance with Puerto Rico Public Policy Law (Law 416, Article 4(B)(3)). Evaluation of the potential environmental impacts	Prior to the issuance of Permits
PR-DNER	Habitat Categorization - Flora and Fauna Study to determine species present on site and identification of any critical habitat within the site.	
PR-PMO	Land Zoning Consultation – PR-PMO's Adjudicative Board evaluation of projects location.	
PR-PMO - PREPA	Infrastructure Recommendation (SRI) for PREPA's interconnection point.	
PR-PMO - PR-ASA	Infrastructure Recommendation (SRI) will be submitted to PR-ASA for connection to water and sewer service for the project.	
PR-PMO – PR-HTA	Infrastructure Recommendation (SRI) will be submitted to PR-HTA for project access.	
PR-PMO – PR-CI	Archaeological Recommendation (SRA) – Authorization from the PR-CI for project construction. Identification of properties with historical and architectural value, if any, and definition of protection measures. Identification of potential archaeological sites and mitigation measures	
PR-PMO	Agricultural endorsement	
PR-PMO	Phase 1 - Construction Permit (PCU) – Authorization for project mobilization and earth movement.	
PR-PMO – PR-DNER	Incidental Single Permit – Permit includes Tree Inventory and Mitigation Plan, Earth Work Incidental Permit and General Consolidated Permit to establish erosion and sedimentation control measures.	
PR-PMO	Phase 2 – Construction Permit (PCO) for Interconnection Line	
PR-PMO – PREPA	PREPA design approval for Photovoltaic Construction Permit	
PR-PMO	Construction Permit (PCO) – Authorization for project's construction phase.	

PR-PMO	Use Permit – Authorization for the project's operational phase.	
PR-HTA	Infrastructure Recommendation will be submitted to PR-HTA for project access.	
PR-ASA	If needed, an Infrastructure Recommendation (SRI) will be submitted to PR-ASA for connection to water and sewer service for the project.	
Agriculture Department	Agricultural Endorsement	
PR-PMO	Phase 3 - Construction Permit (PCO) for Photovoltaic Power Plant	
PREB Renewable Energy Systems Installation Certification	Required after installation of a renewable energy system.	Prior to Commercial Operation Date
PREB Certification as an electric service company	Required for the sale of energy generated by distributed generators interconnected with the PREPA grid with an aggregate capacity of more than 1 MW.	Prior to Commercial Operation Date
PR-PMO Single Permit (comprises use, fire safety, health standards and others, if applicable)	Required for the use or occupation of buildings and properties.	Prior to Commercial Operation Date
Other Applicable Governmental Authorities		
Municipality Endorsement	Municipality's Endorsement for proposed action.	

Legend:

NOAA	=	National Oceanic and Atmospheric Administration
NPDES	=	National Pollutant Discharge Elimination System
PR-PMO	=	Puerto Rico Permits Management Office
PR-DNER	=	Puerto Rico Department of Environmental and Natural Resources
PR-HTA	=	Puerto Rico Highway and Transportation Authority
PR-CI	=	Puerto Rico Culture Institute
PR-ASA	=	Puerto Rico Aqueduct and Sewer Authority
US-EPA	=	United States Environmental Protection Agency
US-FEMA	=	United States Federal Emergency Management Agency
US-FWC	=	United States Fish and Wildlife Service

APPENDIX F

COMPENSATION

1. Monthly Payment

For each Billing Period, PREPA shall pay to Resource Provider a payment for Product in arrears (the "**Monthly Payment**") that comprises (a) a payment in respect of any Net Electrical Output, and (b) during the Supply Period, a payment in respect of any Deemed NEO. The Parties shall calculate the Monthly Payment for Billing Period "n" as follows:

$$\mathbf{MP_n = ((NEO_n + DNEO_n) \times CR_n) - OC_n}$$

where:

MP_n = Monthly Payment for Billing Period "n", expressed in dollars;

NEO_n = Net Electrical Output as metered in accordance with Article 8 (*Metering*) during Billing Period "n", expressed in kWh;

$DNEO_n$ = Deemed NEO for Billing Period "n", as determined in accordance with Appendix G (*Determination of Expected & Deemed NEO*), expressed in kWh;

CR_n = Contract Rate for Billing Period "n", as determined in accordance with Section 2 (*Contract Rate*) of this Appendix G, expressed in $/kWh;

OC_n = other credits or amounts to which PREPA has a right under this Agreement; and

n = such Billing Period.

If the Commercial Operation Date occurs during a Billing Period, then (a) the Parties shall perform the calculation set out above in respect of the periods (i) prior to the Commercial Operation Date, and (ii) on and after the Commercial Operation Date, and (b) the Monthly Payment for such Billing Period shall comprise the sum of such amounts. Resource Provider acknowledges and agrees that the Monthly Payment, and through it the Contract Rate, represents the all-in payment for the Product of the Facility, including all Ancillary Services, Green Credits and costs to Resource Provider of complying with this Agreement.

2. Contract Rate

For each Billing Period, PREPA shall pay a price (the "**Contract Rate**") for the Net Electrical Output and Deemed NEO (if any) applicable to such Billing Period as follows:

a. from the Initial Synchronization Date until the Day before the Commercial Operation Date, the Contract Rate for Net Electrical Output shall equal fifty percent (50%) of the Base Rate, and PREPA shall have no obligation to pay for Deemed NEO; and

b. during the Supply Period, the Contract Rate shall equal:

   i. for the Net Electrical Output and Deemed NEO (if any) during the Agreement Year in which such Billing Period occurs, up to an aggregate quantity equal to one

- hundred ten percent (110%) of the P50 Energy Yield applicable to such Agreement Year, the Base Rate; and

ii. for the incremental Net Electrical Output and Deemed NEO (if any) during such Agreement Year in excess of one hundred ten percent (110%) of the P50 Energy Yield applicable to such Agreement year, eighty percent (80%) of the Base Rate.

3. Base Rate

During the Term, the tariff (the "**Base Rate**") shall equal the sum of:

a. [redacted] representing an amount to compensate Resource Provider for the Product and other costs of the Project (other than for the PREPA Interconnection Facilities Works), and subject to any adjustment in accordance with Section 9.6 (*Improvement in PREPA's Financial Condition*) or paragraph (b) of Section 17.1 (*Change-of-Law*); and

b. [redacted] epresenting an amount to compensate Resource Provider for the cost of the PREPA Interconnection Facilities Works paid under the Interconnection Agreement (the "**Interconnection Cost Recovery Component**"),

in each case escalated by [redacted] n July 1 of each Agreement Year (other than the first Agreement Year), provided that the Base Rate payable in any Agreement Year shall never exceed a maximum [redacted]

APPENDIX G

DETERMINATION OF EXPECTED & DEEMED NEO

Notwithstanding Section 7.1 (*General*), PREPA shall have no liability to Resource Provider in connection with any disconnection, curtailment or other reduction in, or failure by PREPA to take, net electrical output at the Interconnection Point, during any Billing Period, for any reason whatsoever, other than payment for Deemed NEO during the Supply Period in accordance with this Appendix G. The Parties shall determine the Deemed NEO for each Billing Period (or part thereof) during the Supply Period by calculating the sum of the Deemed NEO for each Deemed NEO Period, as well as the Expected NEO for any Time Interval, as follows:

1. Deemed NEO Periods

PREPA shall only pay for Deemed NEO during the Supply Period in respect of the following Event Intervals (each such interval, a "**Deemed NEO Period**"):

a. any Force Majeure Event Interval that occurs during an Agreement Year if and only if, at the start of such interval, the Equivalent Force Majeure Derated Hours accumulated to date in such year exceed the Force Majeure Waiting Period applicable to such year;

b. any Grid System Event Interval that occurs during an Agreement Year if and only if, at the start of such interval, the Equivalent Grid System Derated Hours accumulated to date in such year exceed the Grid System Waiting Period applicable to such year; and

c. any Event Interval in which a PREPA Risk Event occurs pursuant to paragraph (c), (d), or (e) of such definition,

provided that, in respect of paragraphs (a) and (b) above, Deemed NEO Periods, and PREPA's liability for Deemed NEO for any single disconnection, curtailment or other reduction, shall not include any Event Interval in respect of which Resource Provider may recover insurance proceeds from any insurance policy that Resource Provider obtains (or would have obtained had it complied with this Agreement) in respect of PREPA Risk Events, including business interruption insurance in accordance with paragraph (h) of Section 18.1 (*Resource Provider Requirements*).

2. Facility Performance Model

Resource Provider shall use a commercially available computer program, or other computer program mutually agreed for such use by the Parties, for calculating the output of utility-scale photovoltaic projects (the "**Facility Performance Model**") to determine the Expected NEO and Deemed NEO for any Time Interval, and for recording, monitoring and forecasting purposes, in accordance with the following:

a. Resource Provider shall ensure that the Facility Performance Model (i) accounts for and records (A) the global solar irradiation available on the plane of array of solar photovoltaic modules (expressed in kW/m2) (including global horizontal irradiation, plane of array and diffuse irradiation), in determination of incidence angle irradiance losses, (B) ambient conditions including air temperature, humidity, wind speed and module temperature (expressed in °C), and other data as deemed appropriate for calculating solar panel output including inverter efficiency, transformer efficiency and other Expected Losses (collectively, the "**Ambient Conditions**"), (C) the status of modules, inverters, MV

transformers, and MV/HV step-up transformer(s) as available from the SCADA system of the Facility; and (D) NEO, Generating Capacity, power factor and other data, as applicable, and (ii) communicates such data and the Expected NEO and Deemed NEO, in each case for each Time Interval of each Day. Resource Provider shall automatically collect and communicate the data in this paragraph (a) to PREPA via its SCADA system.

b. In collecting the required data, Resource Provider shall:

1. record average values over Time Intervals;

2. utilize a data logger on the Site and date-stamped collected data;

3. measure global solar irradiation on the plane of array of solar photovoltaic modules ("**GK**") using pyranometers mounted in the plane of array of photovoltaic modules (the "**Reference Pyranometers**"), with a number of sensors adequate to provide reliable measurements; not change the location of such Reference Pyranometers without the prior written agreement of PREPA; and group global solar irradiation data into bins of fifty watts per square meter (50 W/m^2) or other such increments as recommended by the Consulting Technical Expert;

4. measure the ambient temperature, humidity and wind speed using sensors mounted at appropriate locations within the Facility (the "**Reference Ambient Sensors**"), adequate to provide reliable measurements of the Ambient Conditions; and not change the location of such Reference Ambient Sensors without the prior written agreement of PREPA;

5. calculate module temperature including inverter efficiency, transformer efficiency and other Expected Losses using Prudent Utility Practices, module characteristics, heat transfer coefficients and measured Ambient Conditions; and group such data into bins of five degrees Celsius (5 °C) or other such increments as recommended by the Consulting Technical Expert; and

6. calibrate Reference Pyranometers and Reference Ambient Sensors based on manufacturer's recommendations.

provided that, for any projection or forecast of Ambient Conditions that will occur in the future, the Parties shall determine Ambient Conditions based on the meteorological forecast for the region and site of the Facility during the relevant Time Intervals.

c. The Facility Performance Model shall store and analyze the Ambient Conditions and other data required in paragraphs (a) or (b) above for each Time Interval in order to determine the relationship between the Expected NEO and Net Electrical Output. Resource Provider shall ensure that the Facility Performance Model uses this suite of relationships, each a power curve corrected for cell temperature and Expected Losses to calculate the Expected NEO for each Time Interval within plus or minus five percent (5%) of the actual Net Electrical Output of the Facility for any Billing Period.

d. The Facility Performance Model shall provide a mathematical representation of the Facility, including its technical configuration, and provide the following outputs:

1. Actual and projected performance ratios;

2. Comparison of Expected NEO versus actual Net Electrical Output;

3. Comparison of expected and actual average Generating Capacity;

4. Expected and actual Ambient Conditions; and

5. Forecasted values for Expected NEO over time periods required by this Agreement.

e. At PREPA's request, Resource Provider shall report the status and outputs of the Facility Performance Model to PREPA or its designee in the following formats:

1. A hard copy of power curves showing binned values only;

2. A hard copy scatter plot showing the individual average Time Interval values of underlying data and the model outputs calculated in paragraph (c) of Section 2 (*Facility Performance Model*) of this Appendix G; and

3. All raw data obtained from the SCADA system, Reference Pyranometers and Reference Ambient Sensors, in electronic format, to enable comparison of the raw data to the binned data.

f. Resource Provider shall keep such model up-to-date and accurate, with hourly resolution, as regards the Facility's performance and ensure that the NEO for any month does not deviate from the Expected NEO applicable to such month by more than five percent (5%), or such other accuracy as deemed reasonable in writing by the Parties. To improve the accuracy of the Expected NEO and reflect actual conditions of the Facility's equipment, including but not limited to panel degradation and other Expected Losses, Resource Provider shall calibrate the Facility Performance Model (i) on a quarterly basis, including at least thirty (30) Days prior to the start of each Agreement Year, and (ii) if the Expected NEO for any hour deviates from the actual NEO in such hour by more than five percent (5%), or other such accuracy as deemed reasonable in writing by the Parties, for any reason other than a PREPA Risk Event, then within three (3) Business Days of a Party becoming aware of such deviation. If the average actual NEO over the most recent thirty (30) Days deviates by more than five percent (5%) from the forecasts of Expected NEO for such Days given by Resource Provider under Section 6.2 (*Availability Estimates*), then PREPA (or the T&D Operator on its behalf) shall have the right to audit and require adjustments to the Facility Performance Model and other aspects of Resource Provider's forecasting methodology to ensure compliance with this Agreement.

g. PREPA shall have the right to approve the Facility Performance Model and all changes to model parameters, which approval PREPA shall not unreasonably withhold or delay. The Parties shall validate all changes to such model of no less than thirty (30) Days. In each case, within ten (10) Business Days after receipt of each such proposed revisions, PREPA shall either approve such revisions or notify Resource Provider of further required revisions. Resource Provider shall submit its revised Facility Performance Model to PREPA within seven (7) Days after such notification, and PREPA shall notify Resource Provider of its approval or disapproval no later than seven (7) Days after such submittal. The failure of PREPA to respond within the applicable period, unless extended by mutual agreement, shall be deemed as approval by PREPA of Resource Provider's proposed Facility Performance Model for use in the determination of Expected NEO.

h. The Parties acknowledge and agree that Disputes relating to the Facility Performance Model or determination of Generating Capacity, Expected NEO or Deemed NEO under this Appendix G shall constitute Technical Disputes.

3. Facility Availability

Resource Provider shall ensure that the Facility Performance Model, unless otherwise agreed in writing, determines the "**Facility Availability**" for any Time Interval of a given Day by using the following formula (subject to revisions agreed in writing between the Parties):

$$FA = \frac{\sum_{j=1}^{k} [WA]_j}{k}$$

where:

FA = Facility Availability calculated after "k" Time Intervals have elapsed;

j = the relevant Time Interval;

k = number of Time Intervals that have elapsed over the lesser of (i) the total number of Days since the Commercial Operation Date as of the date of such determination and (ii) thirty (30) Days; and

WA = weighted average of the availability of the Facility (considering that inverters may be of different capacities and contribute proportionately to the overall Generating Capacity), calculated for every Time Interval by using the following formula and capped at 1.0:

$$WA = \frac{\sum_{i=1}^{n} [UA_i \times UC_i]}{MDL}$$

where:

MDL = Maximum Dispatch Limit, expressed in kW;

UC_i = maximum rated AC capacity of inverter "i", expressed in kW;

n = number of inverters in the Facility;

i = the relevant inverter; and

UA_i = availability of inverter "i", determined for each Time Interval by recording and analyzing the AC power output at the inverter terminal using the following formula:

$$UA_i = \frac{T - U_E - U_I}{T - U_E}$$

where:

T = number of "k" Time Intervals with array irradiance at or above 100 W/m^2;

U_E = number of Time Intervals from the "T" Time Intervals that constitute Event Intervals; and

U_I = number of Time Intervals from the "T" Time Intervals affected by failure or unavailability of inverter "i", other than Event Intervals,

provided that, for any Time Interval, if the failure or unavailability of inverter "i" commences (i) during the first five (5) minutes of such Time Interval, then such Time Interval shall be taken into account in the calculation of U_E or U_I above, as applicable, and (ii) during the last five (5) minutes of such Time Interval, then such Time Interval shall not be taken into account in the calculation above.

4. Expected NEO

The Parties shall determine, and ensure that the Facility Performance Model determines, a projection of Net Electrical Output of the Facility for each Time Interval based on the actual Ambient Conditions during such interval, Facility Availability during such interval, Facility performance and Expected Losses (the "**Expected NEO**") as follows (subject to revisions agreed in writing between the Parties):

a. For the first Agreement Year, the Facility's Expected NEO for any Time Interval "i" of a given Day "i" shall be based on the readings from the Reference Pyranometers, Ambient Sensors and the average performance of the Facility, corrected for cell temperature if significant, during the most recent seven (7) Days prior to such Day "i" in which no PREPA Risk Event occurred, as calculated in accordance with the following formula (subject to revisions agreed in writing between the Parties):

$$ENEO_i = \frac{\sum_{j=1}^{7} \left(\frac{NEO_j}{GK_j}\right)_j}{7} \times GK_i \times FA$$

where:

$ENEO_i$ = Expected NEO for Time Interval "i", expressed in kWh;

NEO_j = NEO of the Facility for each Day "j", expressed in kWh;

GK_j = global solar irradiance in the plane of array for each Day "j", expressed in kWh, and determined by taking the product of (a) the solar irradiance measured by the Reference Pyranometer during such Day "j", expressed in kWh/m^2, *multiplied by* (b) the area of the plane of array, expressed in m^2;

j = the most recent seven (7) Days prior to Day "i" in which no PREPA Risk Event occurred, numbered from one (1) to seven (7);

FA = the average of the Facility Availability for the lesser of (i) the total number of Time Intervals since the Commercial Operation Date or (ii) the most recent thirty (30) Days of Time Intervals, in either case, prior to Time Interval "i" in which no PREPA Risk Event occurred; and

GK_i = global solar irradiance in the plane of array for Time Interval "i", expressed in kWh, and determined by taking the product of (a) the solar irradiance measured by the Reference Pyranometer during Time Interval "i", expressed in kWh/m^2, *multiplied by* (b) the area of the plane of array, expressed in m^2; but capped for each Time Interval of such Day "i" at a number of kWh equal to one sixth (1/6) of the Maximum Dispatch Limit (expressed in kW and as adjusted by the Approved Design or otherwise in accordance with this Agreement) *multiplied by* one hour.

b. After the end of the first Agreement Year, the Facility's Expected NEO for any Time Interval "i" shall be based on the Facility Performance Model and calculated using the following formula (subject to revisions agreed in writing between the Parties):

$$ENEO_i = \left(FA \times CC \times \frac{1\ hour}{6}\right)$$

where:

$ENEO_i$ = Expected NEO for Time Interval "i", expressed in kWh;

FA = the average of the Facility Availability for the most recent thirty (30) Days of Time Intervals prior to Time Interval "i" in which no PREPA Risk Event occurred; and

CC = estimated Contract Capacity of the Facility during Time Interval "i", as determined by the Facility Performance Model, expressed in kW.

5. Deemed NEO

The Parties shall determine the Deemed NEO for each Deemed NEO Period as follows:

a. No later than five (5) Business Days after the Day in which such Deemed NEO Period occurs (the "**Event Day**"), Resource Provider shall notify PREPA of such Deemed NEO Period, and PREPA shall confirm the occurrence of the relevant PREPA Risk Event.

b. The Parties shall compare the Expected NEO for such Deemed NEO Period, using the Facility Performance Model and data communicated through the SCADA system, with the actual Net Electrical Output of the Facility, if any, during such Deemed NEO Period, and determine the Deemed NEO for such Deemed NEO Period "n" as follows (subject to revisions agreed in writing between the Parties):

$$DNEO_n = (ENEO_n - NEO_n)$$

where:

$DNEO_n$ = Deemed NEO for Deemed NEO Period "n";

$ENEO_n$ = Expected NEO for Deemed NEO Period "n", expressed in kWh; and

NEO_n = NEO of the Facility for Deemed NEO Period "n", expressed in kWh.

c. Notwithstanding the foregoing, Deemed NEO shall equal zero (0) for any Deemed NEO Period in respect of which:

1. Resource Provider has not provided a Facility Performance Model approved by PREPA, which approval PREPA shall not unreasonably withhold;

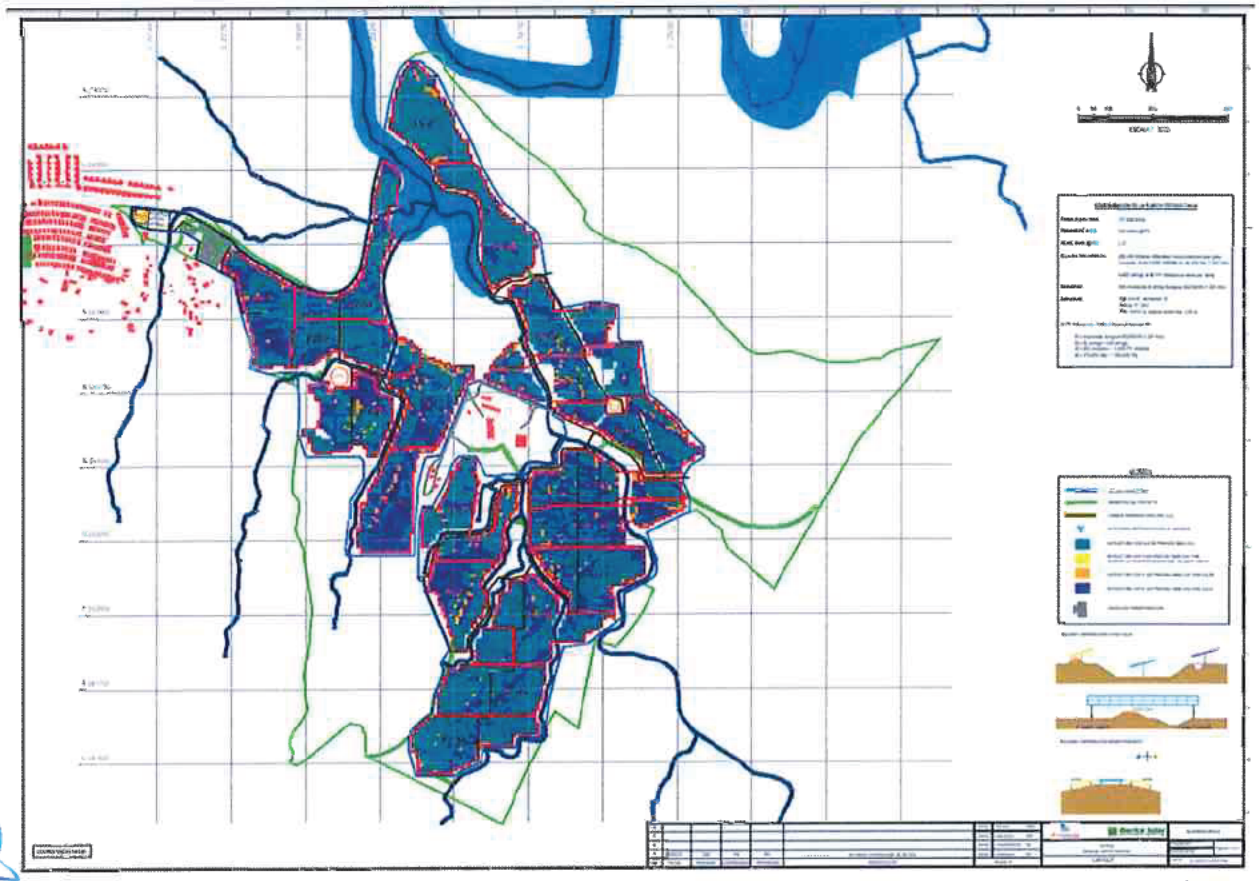
2. Resource Provider fails to provide, or any material interruption occurs to, the input data or outputs of the Facility Performance Model required in Section 2 (*Facility Performance Model*) of this Appendix G for such hour; or

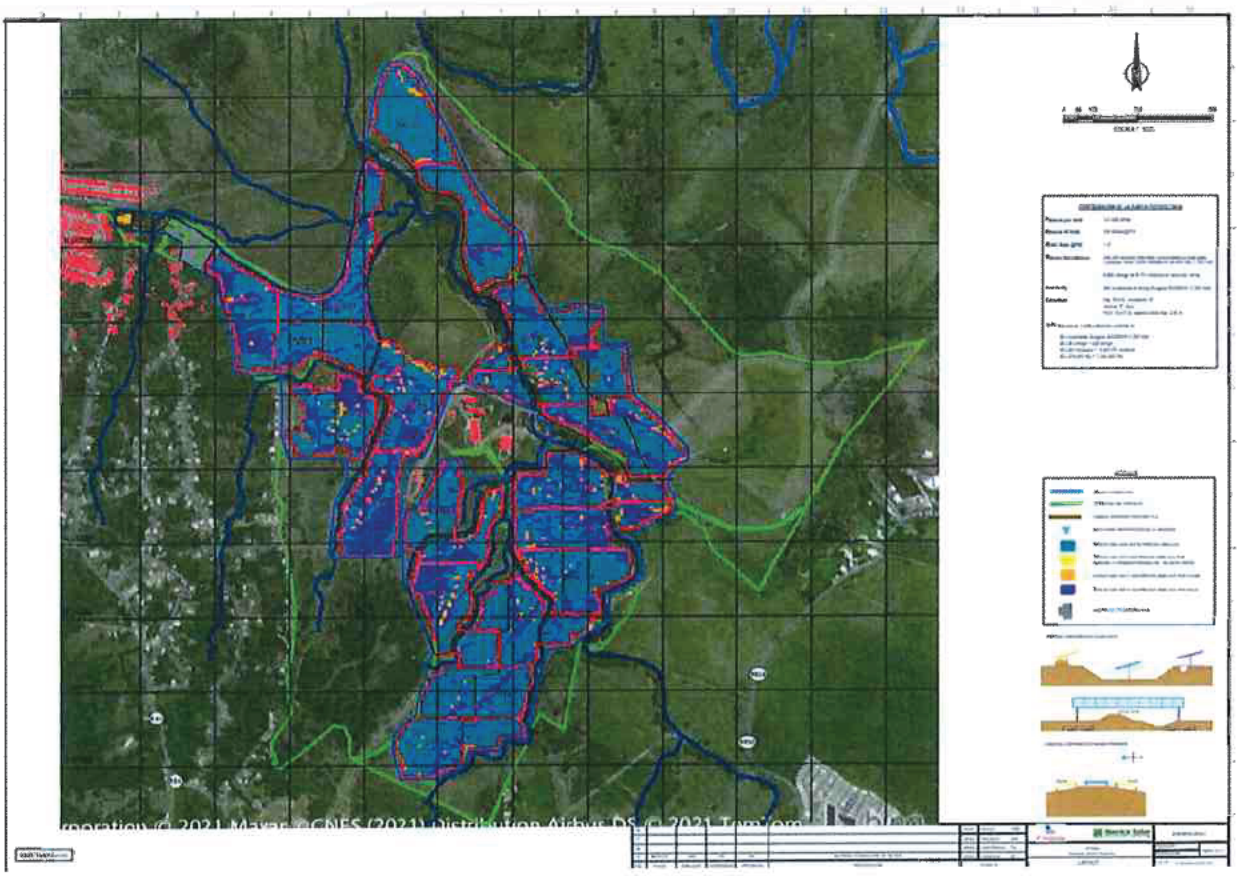
3. $NEO_n \geq ENEO_n$, each as defined in paragraph (b) of this Section 5 of this Appendix G.

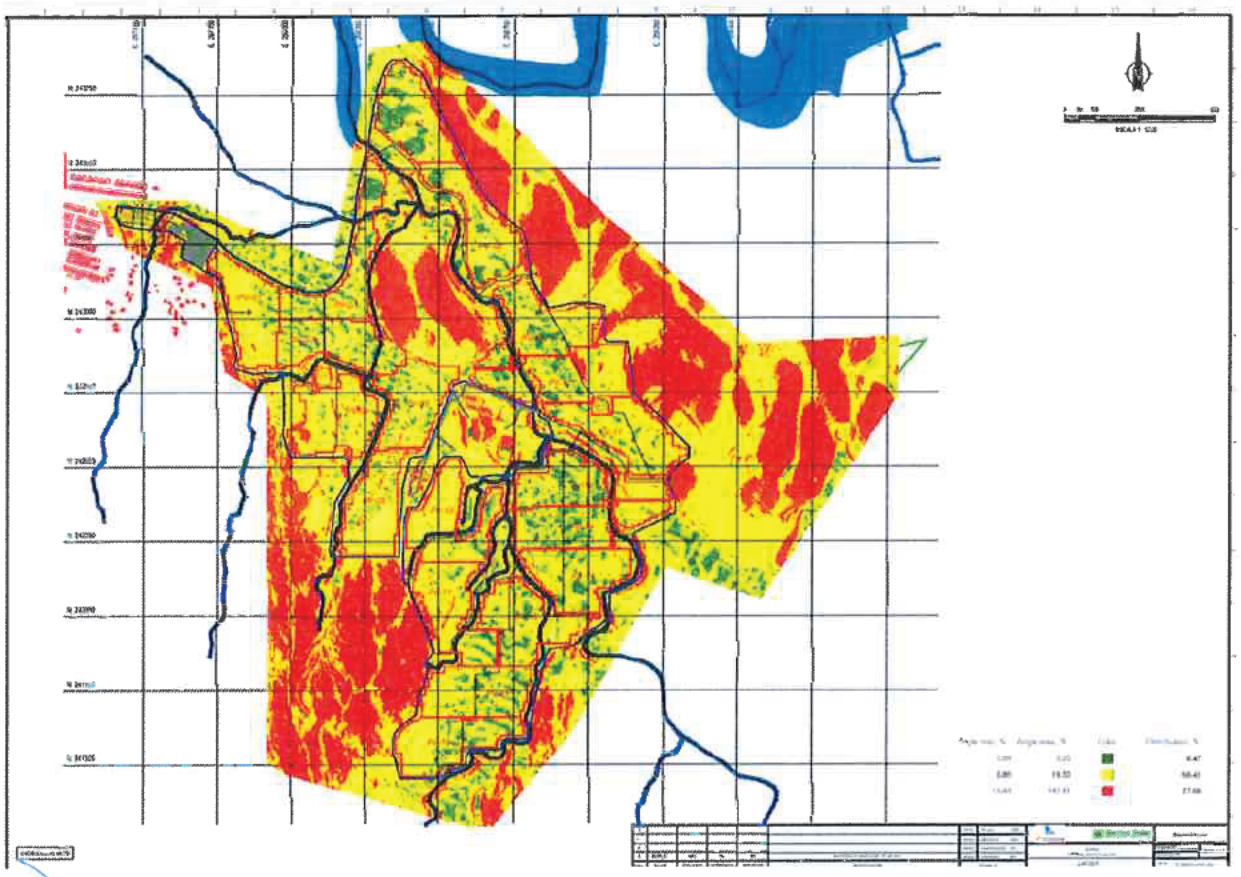
Where the Expected NEO and Deemed NEO have been determined, PREPA or Resource Provider may dispute the Deemed NEO calculated in terms of this Appendix G retrospectively, as a Technical Dispute, if the Deemed NEO calculated based on the Facility Performance Model proves to be different from the Deemed NEO calculated in terms of this Appendix G. Overpayments made by PREPA may be set-off against payment due by PREPA, and underpayments may be included in the invoice for the Billing Period after such underpayment was determined. The amount of the overpayment or underpayment determined in this paragraph shall bear Interest from the date of such overpayment or underpayment to, but excluding, the date of repayment or set-off, as the case may be.

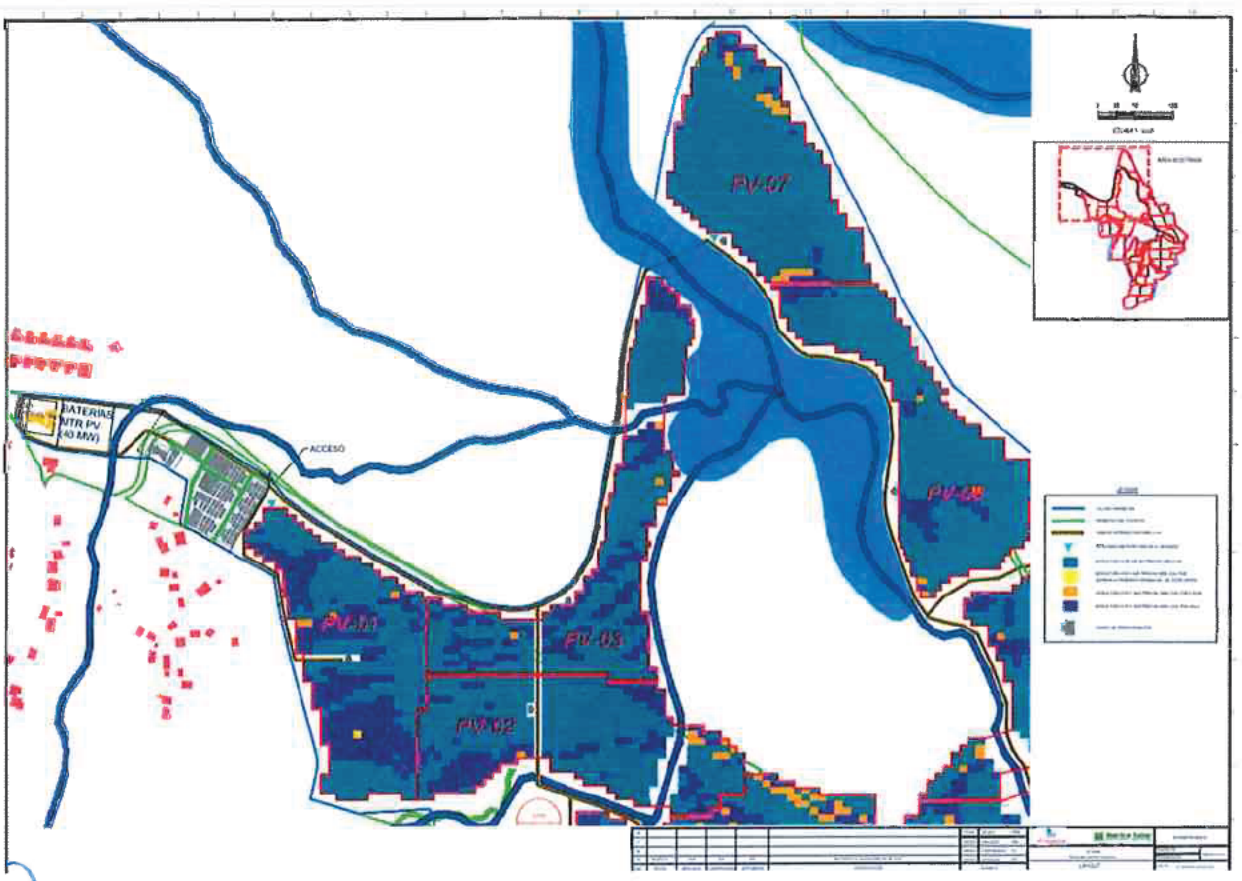
APPENDIX H

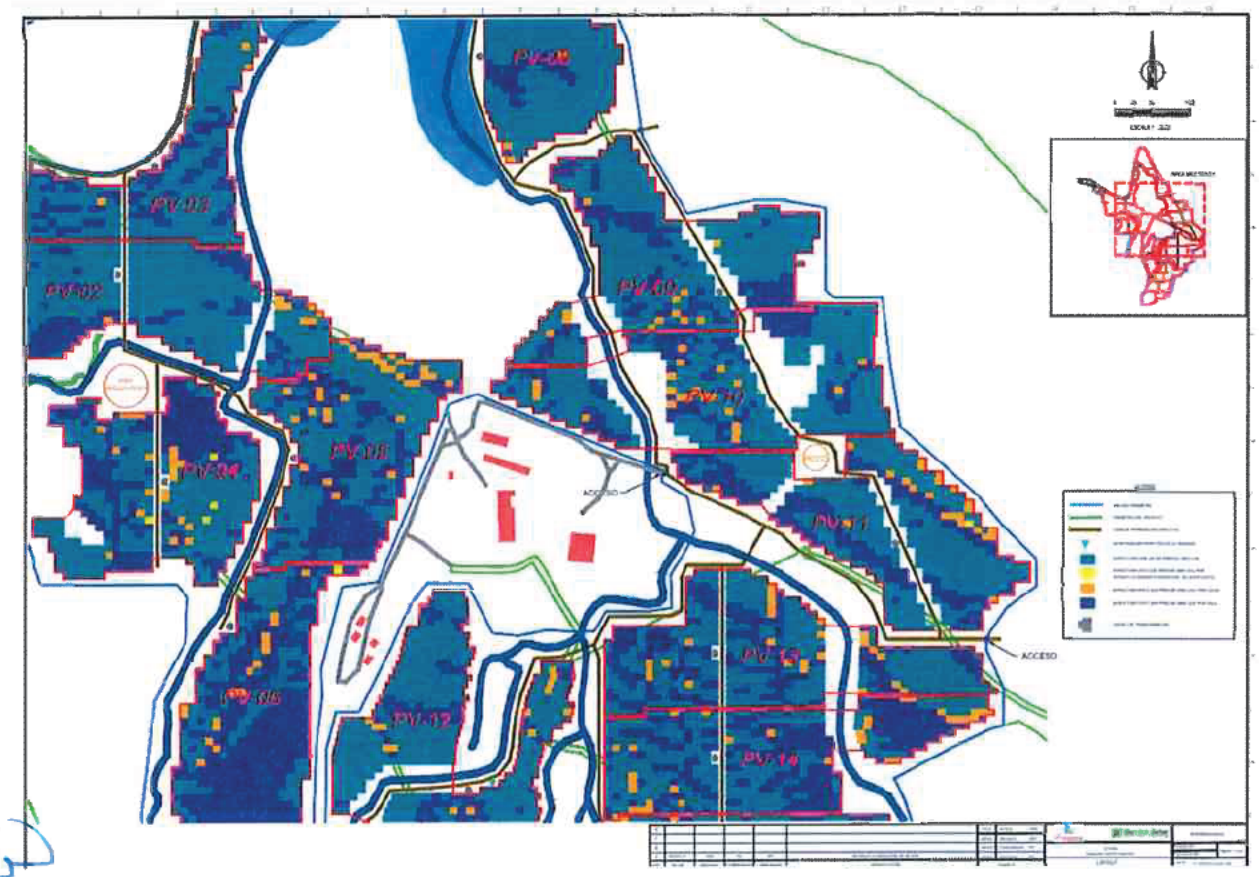
FACILITY SITE



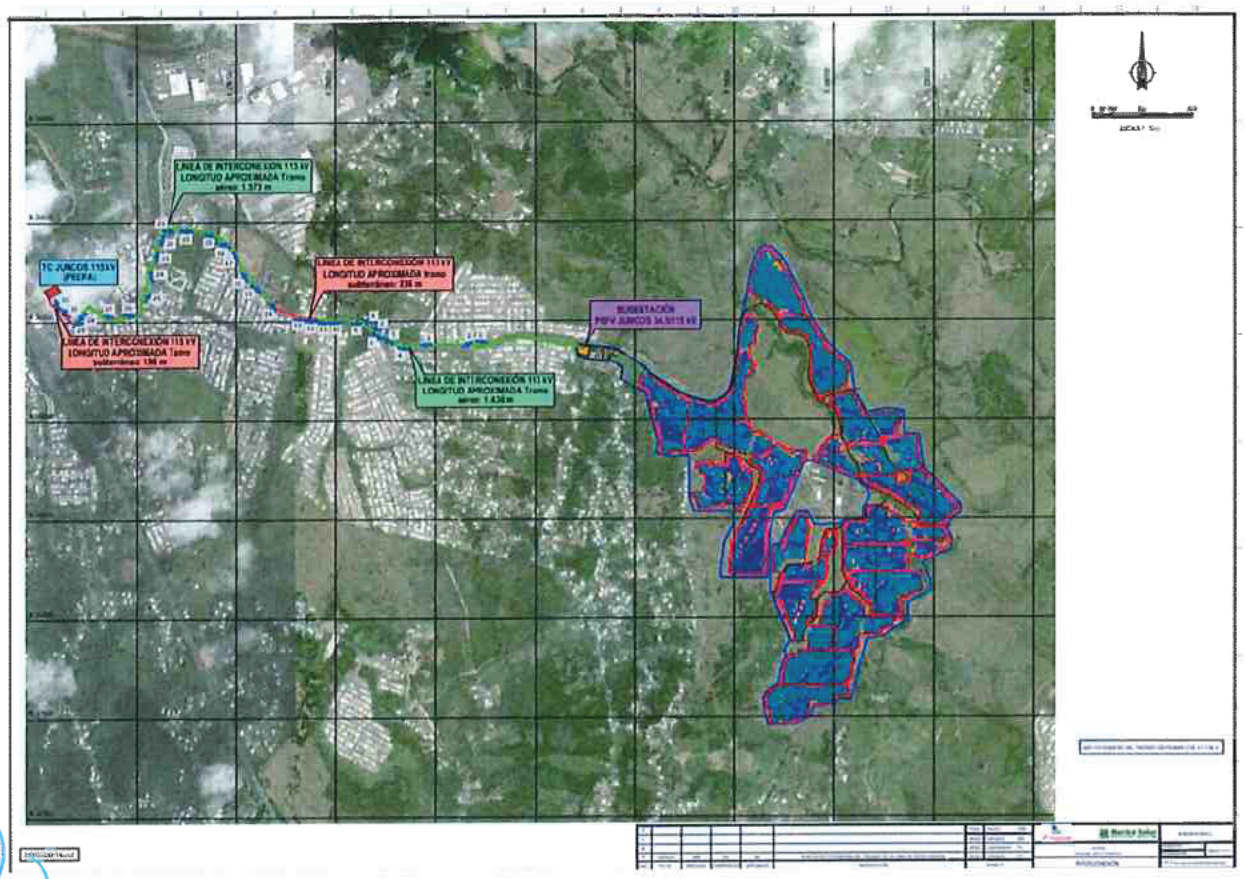





PV-07
PV-06
PV-01
PV-05
PV-02
ACCESO


PV-01
PV-02
PV-03
PV-04
PV-05
PV-06
PV-07
PV-08
PV-09
PV-10
PV-11
PV-12
PV-13
PV-14
ACCESO
ACCESO


ACCESO
PV-12
PV-13
PV-14
PV-15
PV-16
PV-17
PV-18
PV-19
ACCESO


LÍNEA DE INTERCONEXIÓN 115 kV
LONGITUD APROXIMADA Trama aérea: 1,573 m
TC JUNCOS 115 kV (PREPA)
LÍNEA DE INTERCONEXIÓN 115 kV
LONGITUD APROXIMADA Trama subterránea: 236 m
LÍNEA DE INTERCONEXIÓN 115 kV
LONGITUD APROXIMADA Trama subterránea: 136 m
SUBESTACIÓN PREPA JUNCOS 34.5/115 kV
LÍNEA DE INTERCONEXIÓN 115 kV
LONGITUD APROXIMADA Trama aérea: 1,436 m





APPENDIX I

INTERCONNECTION DESCRIPTION AND SPECIFICATIONS

1. Description of the Interconnection Facilities

The electrical interconnection single line attached as Appendix I-1 (*Electrical Interconnection Single Line*) identifies the Interconnection Point, PREPA Interconnection Facilities, the Resource Provider Interconnection Facilities, and metering locations.

2. Interconnection Point Specifications

Resource Provider shall perform and comply with the following interconnection specifications for the Resource Provider Interconnection Facilities. These specifications and standards do not constitute an all-inclusive scope of work. The Parties will require a Facility Study and a System Impact Study to determine the design as described in Article 3 (*Pre-Operation Period*).

a. Codes and Standards Requirements:

All designs should be in accordance with the latest PREPA Design Criteria Documents, applicable ANSI/IEEE and NESC standards, and building codes. This includes:

1. the following design criteria documents (the "**PREPA Design Criteria Documents**" or "**DCDs**"):

   i. PREPA Civil Design Criteria;

   ii. PREPA Protection and Control Design Criteria;

   iii. PREPA Substation Design Criteria;

   iv. PREPA Transmission Design Criteria;

   v. PREPA Distribution Design Criteria;

   vi. PREPA Drawings and Specifications Design Criteria; and

   vii. PREPA Telecommunication Design Criteria;

2. NECA/BICSI 607, Standard for Telecommunications Bonding and Grounding Planning and Installation Methods for Commercial Buildings;

3. American Concrete Institute (ACI) Design Codes and Construction Specifications;

4. American Institute of Steel Construction (AISC);

5. American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE);

6. American Welding Society (AWS);

7. American Wood Protection Association (AWPA);

8. Association of Edison Illuminating Companies (AEIC);
9. Building Industry Consulting Services International (BICSI);
10. Code of Federal Regulations (CFR);
11. Construction Specifications Institute (CSI);
12. Electric Power Research Institute (EPRI);
13. Federal Aviation Administration (FAA);
14. Federal Communications Commission (FCC);
15. Illuminating Engineering Society (IES);
16. Institute of Electrical and Electronics Engineers (IEEE);
17. Insulated Cable Engineers Association (ICEA);
18. International Electrotechnical Commission (IEC);
19. ITSIMM 6th Edition - Information Transport Systems Installation Methods Manual;
20. National Electrical Code (NEC);
21. National Electrical Manufacturers Association (NEMA);
22. National Electrical Safety Code (NESC);
23. National Fire Protection Association (NFPA);
24. NECA/BICSI 568, Standard for Installing Commercial Building Telecommunications Cabling;
25. North American Electric Reliability Corporation (NERC);
26. OSPDRM 5th Edition - Outside Plant Design Reference Manual;
27. Puerto Rico Building Code 2018;
28. Regulations per the Commonwealth of Puerto Rico;
29. Rural Utilities Service (RUS), United States Department of Agriculture;
30. RUS 1724E-300, U.S. Dept. of Agriculture Design Guide for Rural Substations;
31. TDMM 14th Edition - Telecommunications Distribution Methods Manual;
32. Telecommunications Industry Association (TIA);

33. ANSI/TIA 568.0-D, Generic Telecommunications Cabling for Customer Premises;

34. ANSI/TIA 569-E, Telecommunications Pathways and Spaces;

35. ANSI/TIA 606-C, Administration Standard for Telecommunications Infrastructure;

36. ANSI/TIA 607-D, Generic Telecommunications Bonding and Grounding (Earthing) for Customer Premises;

37. ANSI/TIA-1005-A, Telecommunications Infrastructure Standard for Industrial Premises; and

38. ANSI/TIA-758-B, Customer-Owned Outside Plant Telecommunications Infrastructure Standard.

b. Transmission Line Requirements:

1. Resource Provider shall perform the following tasks:

i. all ROW/Easement acquisition, including any studies, environmental permitting, real estate acquisitions, *etc.* required as per the Agreement;

ii. geotechnical soil borings, grounding tests, and studies along the transmission corridor and right of way;

iii. all applicable transmission designs and calculations typically found in typical transmission line design;

iv. stringing charts, engineered steel drawings, calculations, and PLS-CADD models of the transmission structures, including the applicable conductor size and OPGW (with 48 Fibers);

v. ampacity, shielding, and conductor sizing calculations for the transmission structure for the Interconnection Facilities;

vi. design and construction of foundations for transmission structures for the Interconnection Facilities;

vii. all transmission and distribution line design required for project completion; and

viii. evaluation of existing transmission and distribution poles that may be modified due to new conductors or equipment additions.

2. PREPA shall review and provide comments on all Resource Provider's drawings, submittals and design inputs for Resource Provider's transmission line design.

c. Telecommunication Requirements (in addition to the requirements as identified in paragraph (a) of Section 2 (*Interconnection Point Specifications*) of this Appendix I):

1. Resource Provider shall perform the following tasks:

   i. install, wire, and program the SCADA Remote Terminal Units (RTUs) at the Resource Provider Interconnection Facilities and the Site;

   ii. install and wire the telecommunication equipment for the Resource Provider Interconnection Facilities;

   iii. programming the communication settings for the relays, meters, and all miscellaneous equipment connected to the RTU;

   iv. installation of conduits for control cables from the equipment to the control house;

   v. installation of telecommunications pathways at the Resource Provider Interconnection Facilities, including conduits, cable trays, racks, among others;

   vi. provide and install telecommunications equipment power systems, with telecommunications equipment labeling and color-coding to comply with ANSI/TIA 606 Standard;

   vii. program the DSM with the signal list provided by PREPA;

   viii. design of the control house layout at the Resource Provider Interconnection Facilities and collector Site includes location, civil design, internal layout, electrical design for lightning, convenience outlets, battery bank, and 125Vac supply panels, disconnects, and other associated materials and localization areas for SCADA, DSM, and telecommunications equipment;

   ix. programming the telecommunications equipment (routers, firewalls, and network equipment); and

   x. install the fiber optic connections, including 48-fiber OPGW, pathways, and terminations for the protection relays to allow the PREPA Interconnection Facilities to be fully operational.

2. PREPA shall perform the following tasks:

   i. review and comment on all submittals and design input for all design phases for the telecommunications packages; and

   ii. support the integration of the new equipment into the overall PREPA network.

d. Commissioning and Testing Requirements:

1. Resource Provider shall perform the following tasks:

   i. all Outages and construction work sequence plans will be coordinated with and approved by PREPA;

ii. provide any revisions to the Testing Protocol and plans for PREPA's approval prior to performing any acceptance test and energization of any equipment;

iii. perform the acceptance and commissioning tests on the equipment and auxiliaries according to PREPA's practices and Applicable Standards at Resource Provider's collector site only, including voltage signals, current signals, relay outputs, breaker status, and cable continuity;

iv. perform grounding tests at all sites, including the transmission corridor;

v. perform testing on the interconnection of the transmission line;

vi. perform impedance testing to validate the proper installation of all transmission and high voltage conductors and bus;

vii. perform tests for the wiring of protection and control systems, RTU, DSM, Transient Recorder, and others associated services for the Resource Provider Interconnection Facilities;

viii. perform adjustments and operation tests for the protection and control systems;

ix. submit all test reports signed and sealed by a PR licensed electrical engineer for PREPA's review;

x. perform preliminary testing of the protection, control and telecommunication system and the integration into Resource Provider's SCADA system. Depending on the type of alarm or signal into Resource Provider's SCADA system, PREPA personnel may act as a witness to validate the input. PREPA will perform final validation and acceptance of the SCADA integration;

xi. perform operation tests for the telecommunication systems;

xii. perform operation tests for the DSM;

xiii. perform operation tests on the equipment and auxiliaries;

xiv. perform operation tests for the transient recorder;

xv. verification of the OTDR tests for fiber optic cable performed by Resource Provider for the following cables:

A. fiber cable between the Interconnection Point and the Facility;

B. fiber cable for interconnection to PREPA's network; and

C. verification of telecommunications facilities and equipment installations performed by Resource Provider at the Resource Provider Interconnection Facilities;

This work includes verification, testing, configuration, and inspection of equipment specified by PREPA and materials, cable installation, and testing by Resource Provider;

xvi. provide a PREPA's site representative and the required technical resources from PREPA to comply with the Milestone Schedule;

xvii. witness all tests and commissioning of the electrical equipment installed at the Resource Provider Interconnection Facilities and the Site;

xviii. submit all test protocols for PREPA approval; and

xix. submit all test results in a test book for PREPA approval.

2. PREPA shall perform the following tasks:

i. evaluate the test results and settings of the protection relays for Interconnection Facilities;

ii. evaluate the test results and settings of the communication equipment at the Interconnection Facilities;

iii. witness all tests and commissioning of the electrical equipment installed in PREPA Interconnection Facilities;

iv. at existing PREPA sites where protection and control components are being updated, modified, or interconnected with, the tests should be done exclusively by PREPA;

v. perform final SCADA tests by PREPA acceptance test personnel from the point where Resource Provider consolidates SCADA data and transmits it to the PREPA SCADA system;

vi. perform the acceptance and commissioning tests on the equipment and auxiliaries according to PREPA's practices and Applicable Standards at the Interconnection Facility and remote ends; and

vii. perform end to end testing of all trips and controls by PREPA's Acceptance Tests Department personnel.

3. Other Requirements for Interconnection

Resource Provider shall:

a. dispose of all garbage generated because of the work, in accordance with Applicable Law;

b. comply with all environmental Laws, during and after construction, including:

1. submission of the Project Environmental Assessment to and receipt of approval from the Department of Natural and Environmental Resources of Puerto Rico and any other environmental, state and municipality Permits for the Resource Provider Interconnection Facilities;

2. all the terms and conditions established in the approvals of the submitted plans, Permits, and endorsement from Governmental Authorities; and

3. upon the completion of the Resource Provider Interconnection Facilities, the closing of any of the acquired Permits that require closure; and

c. mitigate any environmental concerns and deficiencies found by PREPA's personnel or any regulatory agencies caused by them at any time.









APPENDIX J

PROGRESS REVIEW

1. Scope

The Consulting Technical Expert shall make comments and recommendations to Resource Provider in respect of:

a. any aspect of the design (including surveys and drawings) of the Facility;

b. any works performed pursuant to the Facility Construction Contract or other contracts related to the design or engineering of the Facility; and

c. the operation of the Facility.

2. Reviews and Inspections

a. For the design of the Facility, or any other required report, Resource Provider shall submit an electronic copy of such document requested by the Consulting Technical Expert. Resource Provider shall deliver all electronic copies requested for review by email to the address specified in such request in a readily accessible format agreed with the Consulting Technical Expert. The Consulting Technical Expert may provide comments on selected documents and shall designate comments in accordance with Section 3 (*Designations and Subsequent Actions*) of this Appendix J.

b. For works under paragraph (b) of Section 1 (*Scope*) of this Appendix J, Resource Provider shall take all reasonable measures to allow the Consulting Technical Expert to undertake inspections as required. The Consulting Technical Expert shall submit a report to Resource Provider within forty-eight (48) hours after completion of an inspection activity. This report shall contain comments designated in accordance with Section 3 (*Designations and Subsequent Actions*) of this Appendix J.

c. For the operation of the Facility, Resource Provider shall take all reasonable measures to allow the Consulting Technical Expert to undertake inspections as required. The Consulting Technical Expert shall submit a report within twenty-one (21) Days after completion of an inspection. This report shall contain comments designated in accordance with Section 3 (*Designations and Subsequent Actions*) of this Appendix J.

3. Designations and Subsequent Actions

The designations of the relevant documents shall fall into one of the following categories:

a. "*Reviewed/Inspected and accepted*", meaning that the document, particular works or operation of the relevant component conform to the requirements of this Agreement. Such designation shall not relieve Resource Provider from any of its obligations or responsibilities under this Agreement or bind PREPA in respect of such document, particular works or operation of the relevant project component. If Consulting Technical Expert makes any comments under this designation, such comments shall take the form of suggestions for alternative design, construction or operational procedures which may result in reduced cost, enhanced construction progress or contribute to ease of operation.

Resource Provider shall have no obligation to adopt or respond to any such comments made under this designation.

b. "*Reviewed/Inspected with comments*", meaning the comments constitute a form of requests for further details or clarifications on the basis that the relevant document, works, or operation of the relevant component does not appear to conform with the requirements of this Agreement. Such identified issues shall be deemed to have been considered non-compliant by PREPA's Consulting Technical Expert on that basis until such time as Resource Provider provides the required details and clarifications in a sufficiently satisfactory manner for the Consulting Technical Expert to reach a final decision. Following receipt and review of the requested details and clarifications, the Consulting Technical Expert shall then designate such matter as either "Reviewed/Inspected and accepted" or "Reviewed/Inspected and rejected as non-compliant" as may be appropriate.

c. "*Reviewed/Inspected and rejected as non-compliant*", meaning the comments constitute the rejection by the Consulting Technical Expert of the documents, works, or operation of the relevant component of the Facility or Interconnection Facilities on the basis that it does not comply with this Agreement, in which event the Consulting Technical Expert shall provide a statement setting out in adequate detail the reasons for such designation.

APPENDIX K

OPERATING CHARACTERISTICS

I. FACILITY DESCRIPTION

Facility name: Juncos I PV

Site name: Juncos

Facility physical address: PR-935 km. 19.7, Ceiba Norte Ward, Juncos and Quebrada Arenas Ward, Las Piedras

Total number of modules at the Facility: 296,400

Project elevation: 262 (feet above sea level)

Project latitude: N: 18.218711 (decimal form)

Project longitude: W: 65.878903 (decimal form)

Technology type: Solar Photovoltaic

Specific module description: CS3W-465MB-AGof 465 Wp

The PV Plant consists of nineteen (19) subfields with a 6,5 MVA Transformer Station each. The project is a photovoltaic (PV) plant with a nominal power of 100 MWac at the Interconnection Point. The total peak power of the PV plant is 137.826 MWp, with a total of 296,400 PV modules of 465 Wp each. The total nominal AC power, as the sum of the inverter capacity, is 494 x 250 = 123.5 MVA. The total DC/AC ratio of the PV plant is 1.37. The modules are installed on a fixed-tilt structure of 30 modules each, one string. Each 250 kVA string inverter has 20 strings. The BESS for MTR compliance has 40 MW nominal capacity, 45 MW effective capacity, and 14.1 MWh net useable energy.

Interconnection Point for the Facility will have characteristics as follows:

Distribution area: Juncos

Existing zone: Juncos

Load zone: Juncos 115 kV

Substation: TC JUNCOS 115 kV

Additional information: 100 MW Maximum Facility net output at the Interconnection Point.

II. OPERATIONAL CHARACTERISTICS

Facility compliant with PREPA'S MTR for RFP 112648 Tranche 1-6.

APPENDIX L

MINIMUM TECHNICAL REQUIREMENTS

Capitalized terms used throughout this Appendix L have the meaning set forth in the Agreement, unless otherwise defined herein.

Resource Provider shall comply with the following MTRs:

1. Voltage Ride-Through

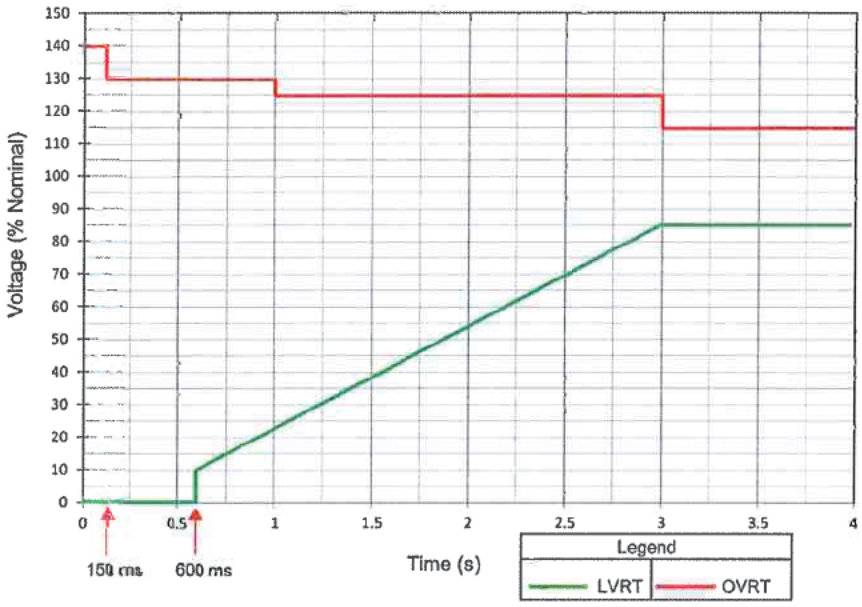


Figure 1 Voltage Ride-Through Requirements

a. PREPA's Low Voltage Ride-Through (LVRT) Requirements:

i. From Figure 1, all generation shall remain online and able to ride-through three phase and single-phase faults down to 0.0 per-unit (measured at the point of interconnection), for up to 600 ms.

ii. All generation shall remain online and operating during and after normally cleared faults on the point of interconnection.

iii. All generation shall remain online and operating during backup-cleared faults on the point of interconnection.

iv. During low voltage fault conditions, the Facility shall operate on reactive current injection mode. This mode of operation shall be implemented with a reactive current droop characteristic, which shall have an adjustable slope from one percent (1%) to five percent (5%). A dead band of fifteen (15%) is required.

b. PREPA's Overvoltage Ride-Through (OVRT) Requirements:

i. All generation shall remain online and able to ride-through symmetrical and asymmetrical overvoltage conditions specified in the following values (illustrated in Figure 1 above):

Overvoltage (pu)	Minimum time to remain online
1.4 – 1.3	150 ms
1.3 – 1.25	1 s
1.25 – 1.15	3 s
1.15 or lower	indefinitely

2. Voltage Regulation System (VRS)

PREPA requires constant voltage control. Photovoltaic System technologies in combination with Static Var Controls, such as Static Var Compensators (SVCs) and STATCOMs are acceptable options to comply with this requirement. Resource Provider shall submit a complete and detailed description of the VRS control strategy for PREPA's evaluation.

a. The Facility must have a continuously-variable, continuously-acting, closed loop control VRS; i.e. an equivalent to the Automatic Voltage Regulator in conventional machines.

b. The VRS set-point shall be adjustable between 95% to 105% of rated voltage at the Interconnection Point (connection to PREPA transmission center). PREPA's Energy Control Center (via SCADA) must have the ability to adjust the VRS set point.

c. The voltage regulation at the Interconnection Point (connection to PREPA transmission center) shall be based in direct measurement of the Interconnection Point (connection to PREPA transmission center) voltage. Line drop compensation or similar strategies shall not be permitted.

d. The VRS shall only operate in a voltage set point control mode. Controllers such as power factor or constant VAR are not permitted.

e. The VRS controller regulation strategy shall be based on proportional plus integral (PI) control actions with parallel reactive droop compensation. The VRS Droop shall be adjustable from zero percent (0%) to ten percent (10%).

f. At zero percent (0%) droop, the VRS shall achieve a steady-state voltage regulation accuracy of +/- 0.5% of the controlled voltage at the Interconnection Point (connection to PREPA transmission center).

g. The VRS shall be calibrated such that a change in reactive power will achieve ninety-five percent (95%) of its final value no later than one (1) second following a step change in voltage. The change in reactive power should not cause excessive voltage excursions or

overshoot. If a voltage overshoot is generated during a change in reactive power its value shall be less than 1%.

h. The VRS must be in service at any time the Facility is electrically connected to the grid regardless of the Facility MW output.

i. The VRS dead band shall not exceed 0.1%.

3. Reactive Power Capability and Minimum Power Factor Requirements

a. The total power factor range shall be from 0.85 lagging to 0.85 leading at the Interconnection Point (connection to PREPA transmission center). The reactive power requirements are necessary to provide support to the system operation based on the voltage profile and reactive power needs. The Facility shall ramp the reactive power from 0.85 lagging to 0.85 leading in a smooth continuous fashion at the Interconnection Point (connection to PREPA transmission center).

b. The +/- 0.85 power factor range should be dynamic and continuous at the Interconnection Point (connection to PREPA transmission center). The Facility shall respond to power system voltage fluctuations by continuously varying the reactive output within the specified limits. The power factor dynamic range herein specified could be expanded if studies indicate that additional continuous, dynamic compensation is required. The Facility must have a reactive capability that meets +/- 0.85 power factor (PF) range based on the Facility Aggregated MW Output, which is the maximum MVAr capability corresponding to maximum MW Output. Positive (+) PF means the Facility is producing MVAr, and negative (-) PF means the Facility is absorbing MVAr.

c. The MVAr capability at maximum output shall be sustained throughout the complete range of operation of the Facility as established in Figure 2. The MVAr capability shall also be sustained throughout the complete Interconnection Point (connection to PREPA transmission center) voltage regulation range (ninety-five percent (95%) to one hundred five percent (105%) of rated voltage at the Interconnection Facilities).

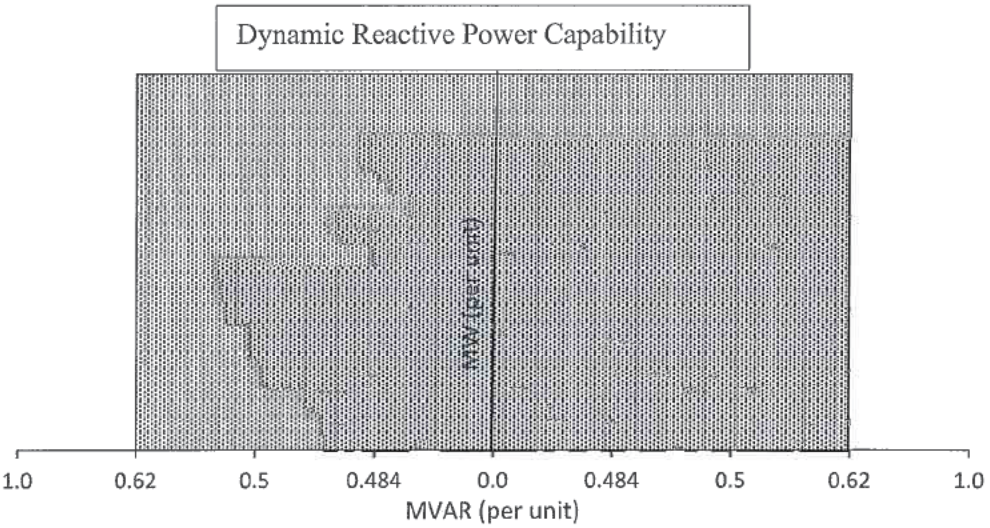


Figure 2 Reactive Power Capability Curve

4. Short Circuit Ratio (SCR) Requirements

PREPA does not permit Short Circuit Ratio values (System Short Circuit MVA at POI/PV Facility MVA Capacity) under five (5). Resource Provider shall be responsible for the installation of additional equipment, such as synchronous condensers and controls, necessary to comply with PREPA's minimum short circuit requirements.

5. Frequency Ride Through (FRT)

57.5 - 61.5 Hz	No tripping (continuous)
61.5 - 62.5 Hz	30 sec
56.5 - 57.5 Hz	10 sec
< 56.5 or > 62.5 Hz	Instantaneous trip

6. Frequency Response/Regulation

a. The Facility shall provide an immediate real power primary frequency response, proportional to frequency deviations from scheduled frequency, similar to governor response. The rate of real power response to frequency deviations shall be similar to or more responsive than the conventional generators' droop characteristic of three percent (3%) to five percent (5%) range. The Facility shall have controls that provide both for down-regulation and up-regulation. PV technologies, in combination with energy storage systems such as, but not limited to battery energy storage systems (BESS), and flywheels are acceptable options to comply with PREPA's frequency response and regulation requirements.

b. The Facility response shall be proportional to the frequency deviation, based on the specified three percent (3%) to five percent (5%) range droop characteristic. The droop shall be configurable from three percent (3%) to five percent (5%) in steps of 0.5% (e.g., 3.0%, 3.5%, 4.0%, 4.5%, 5%). The frequency response dead band shall not exceed 0.02%. For large frequency deviations (i.e., in excess of 0.3 Hz), the Facility shall provide an immediate real power primary frequency response of at least ten percent (10%) of the maximum AC active power capacity (established in the Agreement). The time response (full ten percent (10%) frequency response) shall be less than one (1) second. Frequency response shall not be limited by, and shall be decoupled from, the ramp rate control. The frequency response of the Facility shall be continuously in operation, even during ramp rate events. After the two (2) decoupled functions are added together, the Facility shall be able to simultaneously comply with both requirements.

c. If energy storage systems are utilized to comply with the frequency regulation requirements, and during a disturbance the system frequency stays below 59.7 Hz, the Facility frequency response shall be maintained for at least nine (9) minutes. After the ninth (9th) minute the real power primary frequency response shall not decrease at a ramp rate higher than ten percent (10%) of the maximum AC active power capacity per minute. The energy storage systems utilized to comply with the frequency regulation requirement shall be designed based on a storage capacity equivalent to at least nine and a half (9.5) minutes of the ten percent (10%) AC contracted capacity measured at the Interconnection Point

(connection to PREPA transmission center) for downward and for upward frequency events. This represents an equivalent of nine (9) minutes full participation, plus one (1)-minute ramp down complying with the ramp rate requirement. This energy will be used on a continuous basis for regulation against frequency deviations. During periods of time were the energy storage system utilized to comply with the frequency regulation requirement is completely charged (i.e., cannot absorb more power), the PV inverters will assume the responsibility of the upward frequency events. If the energy available for frequency regulation is drained, the function shall be restored in a time period less than ten (10) minutes and with at least ninety-five percent (95%) of the energy capacity restored. The energy charging process shall not affect the ramp rate control requirement or the frequency regulation of the grid.

d. The operational range of the frequency response and regulation system shall be ten percent (10%) to one hundred ten percent (110%) of the maximum AC active power capacity (established in the Agreement). The Facility power output at the Interconnection Point (connection to PREPA transmission center) shall not exceed the maximum AC active power (established in the Agreement) except to comply with the frequency response requirement.

7. Ramp Rate Control

a. Ramp Rate Control is required to smoothly transition from one output level to another. The Facility shall control the rate of change of power output during certain circumstances, including but not limited to: (i) rate of increase of power; (ii) rate of decrease of power; (iii) rate of increase of power when a curtailment of power output is released; and (iv) rate of decrease in power when curtailment limit is engaged. PREPA requires a limitation of ten percent (10%) per minute (0.1667% per second) rate based on AC contracted capacity. This ramp rate limit applies both to the increase and decrease of power output and is independent of meteorological conditions. The ramp rate control tolerance shall be + ten percent (10%).

b. The energy storage system utilized to comply with the ramp rate control requirement shall be designed based on a minimum storage capacity equivalent to twenty-five (25) minutes of the thirty percent (30%) AC contracted capacity measured at the Interconnection Point (connection to PREPA transmission center). The minimum nominal power output capacity of the energy storage system utilized to comply with the ramp rate control requirement shall be thirty percent (30%) of AC contracted capacity measured at the Interconnection Point (connection to PREPA transmission center); and for at least one (1) minute, a minimum effective power output capacity of forty-five percent (45%) of AC contracted capacity measured at the Interconnection Point (connection to PREPA transmission center). The transition from effective power output capacity to nominal power output capacity shall not exceed the ramp rate requirement of ten percent (10%) per minute.

c. The Frequency Response/Regulation and Ramp Rate Control functions shall be decoupled, continuously in operation. The Facility shall be able to comply simultaneously with both requirements while generating and injecting power to the grid. For this reason, the energy storage system shall include, as a minimum: ten percent (10%) of the contracted capacity for Frequency Response/Regulation for at least nine and a half (9.5) minutes (as described in Section 6 (*Frequency Response/Regulation*) of this Appendix L) and thirty percent (30%) of contracted capacity for Ramp Rate Control for at least twenty five (25) minutes. The energy storage system shall also be able to provide a minimum effective capacity of

forty-five percent (45%) of the contracted capacity for at least one (1) minute at the Interconnection Point (connection to PREPA transmission center). Therefore, the minimum acceptable capacity for the energy storage system is a total combined size of forty percent (40%) of the contracted capacity, and for at least one (1) minute, the system has to have an effective capacity of forty-five percent (45%) of the contracted capacity.

d. If the energy storage system cannot control the ramp rate as required herein because it does not perform according to the minimum required capabilities herein specified, the Facility will be considered in non-compliance. However, (i) rates of change in active power at the Interconnection Point (connection to PREPA transmission center) in excess of the ten percent (10%) per minute rate requirement caused by the loss of generating resource (solar irradiance) that require more than the minimum storage capacity herein defined will not be considered non-compliant with the ramp rate control requirement, and (ii) if the ramp rate is controlled within the limits specified in the ramp rate control requirement, or if the storage system cannot control the ramp rate because it is outside of its minimum required capabilities, but performs as specified, the Facility will not be considered in non-compliance.

8. Auto-Curtailment

Resource Provider shall implement an auto-curtailment strategy for the Facility to address and compensate deficiencies that can affect the Facility compliance with the MTRs. The conditions to apply auto-curtailment include but are not limited to the following:

a. A reduction on the reactive power capacity of the Facility (e.g., due to inverters out of service, or any other condition that can reduce the required reactive power capacity of the Facility).

b. A reduction in the active power capacity of the energy storage system (e.g., loss of some of the battery strings, a BESS inverter out of service, or any other condition that can reduce the required active power capacity of the energy storage system).

c. Loss of the Interconnection Point (connection to PREPA transmission center) readings used for the different controls (voltage, frequency, ramp, etc.) of the Facility. This can happen due to a malfunction of the equipment used for the Interconnection Point (connection to PREPA transmission center) readings. In this case the Facility should be curtailed to zero (0) output.

d. A fault in the Voltage Control, Frequency Response Control, Ramp Rate Control. In this case the Facility should be curtailed to zero (0) output.

e. Any other condition based in the Facility design that can cause a non-compliance with the MTRs.

Resource Provider must submit to PREPA a complete and detailed description of the auto-curtailment strategy for PREPA's evaluation.

9. Power Quality Requirements

Resource Provider shall address in the design of the Facility potential sources and mitigation of power quality degradation prior to interconnection. Design considerations should include

Applicable Standards including, but not limited to IEEE Standards 142, 519, 1100, 1159, and ANSI C84.1. Typical forms of power quality degradation include, but are not limited to voltage regulation, voltage unbalance, harmonic distortion, flicker, voltage sags/interruptions and transients.

10. Power Management

The Facility shall provide adequate technology (communicating technology and the corresponding control equipment) and implement PREPA's power management requirements (ramp rate limits, output limits, curtailment).

11. Special Protection Schemes

The Facility shall provide adequate technology and implement PREPA's special protection schemes, in coordination with power management requirements.

12. General Interconnection Substation Configuration

An interconnecting generation producer must interconnect at an existing PREPA switchyard, unless PREPA agrees otherwise in the Agreement. The configuration requirements of the interconnection depend on where the physical interconnection is to occur and the performance of the system with the proposed interconnection. The interconnection must conform, at a minimum, to the original designed configuration of the switchyard. PREPA, at its sole discretion, may consider different configurations due to physical limitations at the site.

13. Modelling and Validation

a. Once final adjustments and parameter settings related with commissioning and MTR compliance tests are completed, Resource Provider shall submit a PSS/e Siemens – PTI Certified mathematical model and validation report.

b. The mathematical model shall include but is not limited to PV inverters, transformers, collector systems, plant controllers, control systems and any other equipment necessary to properly model the Facility for both steady-state and dynamic simulation modules.

c. Resource Provider must submit user manuals for both the PV inverter and the Facility models including a complete and detailed description of the voltage regulation system (VRS) and frequency regulation system model implementation. The mathematical models shall be fully compatible with the latest and future versions of PSS/E. Resource Provider shall use PSS/E standard models. In case that Resource Provider submits user written models, Resource Provider shall be required to keep such models current with the future versions of the PSS/E program until such time that PSS/E has implemented a standard model. Resource Provider shall submit to PREPA an official report from Siemens – PTI that validates and certifies the required mathematical models, including subsequent revisions. Resource Provider shall submit the official reports and certifications from Siemens – PTI, otherwise the mathematical model shall not be considered valid.

d. Resource Provider shall be responsible to submit Siemens – PTI certified PSS/E mathematical models of any kind of compensation devices (e.g., SVC, STATCOMs, BESS, etc.) used on the Facility. Resource Provider shall use standard models provided with PSS/E. In the case that Resource Provider submits user written models, Resource

Provider shall keep these models current with the future versions of the PSS/E program until such time that PSS/E has implemented a standard model. In its final form, the mathematical model shall be able to simulate each of the required control and operational modes available for the compensation device and shall be compatible with the latest and future versions of PSS/E. The model shall reflect final adjustments and parameters settings related with the control system commissioning process and shall be incorporated to the PSS/E mathematical model and tested accordingly by the PV facility Resource Provider and PREPA system study groups. Resource Provider shall be responsible of submitting the official reports and certifications from Siemens – PTI, otherwise the mathematical models shall not be considered valid.

e. If Resource Provider provides user written model(s), it shall provide compiled code of the model and maintain the user written model compatible with current and new releases of PSS/E until such time a standard model is provided. Resource Provider must permit PREPA to make available the Facility models to external consultants with a non-disclosure agreement in place.

f. Resource Provider shall submit a PSS/E model validation report. This report shall demonstrate PSS/E simulation results that show the model MTR compliance and performance, based on final adjustment and parameter settings of MTR and commissioning field tests. Resource Provider shall be responsible of submitting the official reports and certifications from Siemens – PTI, otherwise the mathematical models shall not be considered valid.

g. Additional details for the adequate PSS/E modelling and the contents of the PSS/E validation report can be found in PREPA's "Guidelines on PSS/E Mathematical Models" document.

14. Transient Mathematical Model

Resource Provider shall be responsible of providing a detailed transient model of the PFV and to demonstrate that it is capable of complying with PREPA's transient MTRs.

15. Dynamic System Monitoring Equipment

Resource Provider shall be required to provide, install and commission a dynamic system monitoring equipment that conforms to PREPA's specifications.

APPENDIX M

OPERATING PROCEDURES

1. General

These Operating Procedures set out certain guidelines relating to the operation and maintenance of the Facility. As set out in Section 3.9 (*Protocols & Procedures*) of the Agreement, in the event of any conflict between the terms and conditions of these Procedures and the rest of the Agreement, the terms and conditions of the Agreement shall prevail. Resource Provider acknowledges and agrees that its compliance with these Procedures will not in any way relieve Resource Provider from any liability that it has under the Agreement.

The T&D Operator shall be deemed to be acting as PREPA's agent in its implementation of the Operating Procedures, and Resource Provider shall have the same rights, privileges and defenses against PREPA regarding the T&D Operator's actions as if PREPA had performed the functions assigned to the T&D Operator thereunder.

Each Party shall confirm or update the contact information of this Appendix M by written notice to the other Party no later than sixty (60) days prior to Initial Synchronization Date.

2. Definitions

Capitalized terms used but not defined in this Appendix M shall have the same meanings set forth in Section 1.1 (*Definitions*) of the Agreement.

In this Appendix M:

"**Curtailment Level**" has the meaning set forth in item (iii), paragraph (h) of Section 4 of Procedure V (*Monitoring and Enforcement of MTRs*) of these Operating Procedures.

"**Disconnection and Curtailment Event Log**" means a record of any disconnection or connection event, regardless of cause, which is in the form set out in Appendix M.1.1 (*Form of Grid System Event Log*).

"**Dispatch Center**" means each dispatch center operated by PREPA and/or the T&D Operator.

"**DSM**" means dynamic system monitoring equipment installed at the Facility.

"**ECC**" means the energy control center operated by the T&D Operator.

"**EMS**" has the meaning set forth in item (iv), paragraph (b) of Section 4 of Procedure I (*Dispatch of Power Generation*) of these Operating Procedures.

"**Facility Status Report**" means the report to be delivered by Resource Provider to the ECC substantially in the form set out in Appendix M.1.3 (*Form of Facility Status Report*).

"**MTR Corrective Action Report**" has the meaning set forth in subsection item (vi), paragraph (h) of Section 4 of Procedure I (*Dispatch of Power Generation*) of these Operating Procedures.

"**MTR Non-Compliance Report**" has the meaning set forth in item (vi), paragraph (h) of Section 4 of Procedure I (*Dispatch of Power Generation*) of these Operating Procedures.

"**Waiting Period**" means the Force Majeure Waiting Period and/or the Grid System Waiting Period, as applicable.

"**PPOA Operational Administrator**" means the representative appointed by T&D Operator to act as the operational administrator for the Facility.

PROCEDURE I DISPATCH OF POWER GENERATION

1. Objective

This Procedure facilitates the dispatch of the Facility and coordination between T&D Operator and Resource Provider.

2. Scope of Procedure

This Procedure describes the following:

a. dispatch of the Facility;

b. voltage scheduling;

c. voltage regulation;

d. dispatching and/or curtailment during T&D Operator/Resource Provider declared Emergency conditions; and

e. reporting on the status of the Facility.

3. Responsibilities

In accordance with Article 6 (*Operation Of The Facility*) and Article 7 (*Dispatching*) of the Agreement, the Parties agree, for the purposes of operation and dispatch of the Facility, that:

a. Resource Provider will contact each of the following T&D Operator personnel at the ECC:

Company	Title	Phone	E-mail
T&D Operator	Generation Shift Engineer	On shift	787-521-5064
T&D Operator	Principal Shift Engineer	On shift	787-521-5066

b. T&D Operator will contact each of the following Resource Provider personnel:

Company	Title	Phone	E-mail
Resource Provider	Operations Manager	+1 787 221-4810	hjcruz@urielrenewables.com
Resource Provider	Plant Manager	[To be provided]	

4. Procedure

a. General

i. Resource Provider will make the following data available to T&D Operator in real time, through the RTU:

1) the Net Power Output (in MW and MVAR);[2]

2) the actual Generating Capacity (in MW);

3) the potential Generating Capacity (in MW);[3]

4) the Facility disconnect status and active ramp rates (UP and DOWN) (MW/min);

5) the Facility curtailment setpoint and "ENABLE/DISABLE" control point;

6) the real time voltage at the Interconnection Point of the Facility (kV);

7) the percent voltage regulation system droop setpoint;

8) the percent frequency regulation system droop setpoint;

9) and any other signals and/or data required by T&D Operator.

ii. T&D Operator reserves the right to disconnect or curtail the Net Power Output of the Facility if the Facility fails to comply with the MTRs. T&D Operator shall have no liability to Resource Provider in connection with any such disconnection or curtailment (including any payment liability or liability in respect of waiting time).

iii. Before commencing work activities within the Facility that may create a risk of a Non-Scheduled Outage or Non-Scheduled Derating, Resource Provider shall first coordinate with the ECC and obtain by phone a work order for such activities, provided that Resource Provider shall not need to obtain a work order if, due to the nature of an Emergency or risk to personnel or equipment, waiting for a work order is impractical or would increase the risks to personnel or equipment.

iv. Resource Provider and T&D Operator shall confirm all communications regarding the status of the Facility via email to the corresponding representatives as soon as possible.

b. Dispatch of the Facility

i. Resource Provider shall operate the Facility to make the Contract Capacity available and comply with Article 7 (*Dispatching*) of the Agreement.

ii. Resource Provider shall not dispatch the Facility over the Contract Capacity. T&D Operator will monitor any violation of such limitation, and if any such violation

---

2 Note: Includes, at any given time, the instantaneous net AC electrical power output made available at the Interconnection Point by the Facility (including PV solar field and additional energy storage system) based on prevailing Ambient Conditions and Facility Availability at such time.

3 Note: Includes, at any given time, the potential maximum, instantaneous power output of the photovoltaic solar field at the Interconnection Point.

occurs during normal operating conditions, T&D Operator shall notify Resource Provider of any such dispatch limit violation. Any Net Electrical Output delivered from the Facility in excess of the Maximum Dispatch Limit shall not count for billing purposes in accordance with the Agreement.

iii. T&D Operator may require Resource Provider to disconnect the Facility or curtail the amount of Net Power Output to the extent expressly authorized by, and in accordance with the terms of the Agreement.

iv. Resource Provider shall ensure that the Facility control system integrates controllers compatible with the systems used in ECC and Energy Management System ("**EMS**") to automate the dispatching and charging process based on ECC anticipated operation and the conditions of the Grid System. The ECC shall control dispatch Automatic Generation Control (AGC) in accordance with each applicable Dispatch Notice or as per system conditions.

c. Voltage Scheduling

The voltage schedule shall be consistent with the Facility design, MTRs and based on the normally expected operating conditions for the Facility and the reactive power requirements of the Grid System. The voltage schedule is effectively +/-5% (0.95 – 1.05 per unit) of the nominal voltage at the Interconnection Point, as referenced by Section 4.6 (*Voltage Schedule*) of the Agreement.

d. Voltage Regulation

i. The ECC will adjust the voltage regulation setpoint through remote control, provided that T&D Operator shall not require the Facility to operate beyond its required minimum design limits as specified in the MTRs.

ii. T&D Operator will notify Resource Provider of the corresponding voltage droop setting of the Facility or any change to it as defined in the MTRs.

iii. T&D Operator will monitor the response compliance of the Facility. If any violation of the MTRs occurs, Procedure V (*Monitoring and Enforcement of MTRs*) of these Operating Procedures will apply.

e. Dispatch During T&D Operator - Declared Emergency Conditions

If T&D Operator declares an Emergency, the ECC may disconnect the Facility or curtail the delivery of Net Electrical Output from the Facility. Without limiting the generality of the foregoing, T&D Operator's control centers may require Resource Provider personnel to increase or decrease the delivery of Net Electrical Output, to disconnect or delay synchronization of the Facility to maintain safe and reliable load levels and voltages on the Grid System, which shall in all cases be consistent with Prudent Utility Practice. T&D Operator and Resource Provider shall keep detailed records of each curtailment or disconnection event, calculate the corresponding Waiting Periods and determine if the event duration exceeded any applicable Waiting Period under the Agreement pursuant to the procedures set forth in Appendix M-1 *(Curtailment or Disconnection Events)* in the form set out in Appendix M.1.1 (*Form of Grid System Event Log*), which the Parties shall

use to reconcile these records for each Grid System Event, Emergency or instance of Force Majeure.

f. Facility Status Reporting

i. Resource Provider shall provide the ECC daily, before 5:00 hours (Puerto Rico time), a Facility Status Report to the ECC electronically in the form set out in Appendix M.1.3 (*Form of Facility Status Report*).

ii. Resource Provider shall immediately notify the ECC if, after delivery of the Facility Status Report, any pertinent change in Resource Provider's Facility status occurs.

PROCEDURE II SCHEDULING OF GENERATION

1. Objective

This Procedure facilitates the scheduling of generation between the T&D Operator and Resource Provider.

2. Scope of Procedure

For each Day during the Supply Period, Resource Provider shall provide to T&D Operator daily before 5:00 hours (Puerto Rico time), a written, accurate estimate of same day hourly, next Day hourly, and next week hourly production of the Facility, as required under Section 6.2 (*Availability Estimates*) of the Agreement.

3. Responsibilities

In accordance with Article 7 (*Dispatching*) of the Agreement, the Parties agree, for purposes scheduling electrical generation, that:

a. Resource Provider shall contact the each of the following T&D Operator personnel:

Company	Title	Name	Phone	E-mail
T&D Operator	Director System Operations	Raphael Gignac	787-354-5223	raphael.gignac@lumapr.com
T&D Operator	Manager Energy Management	Salvador Serrano Menendez	787-521-5066	salvador.serrano@lumapr.com
T&D Operator	Director Supply-Side Contracts Administration	Brian Walshe	303-949-4646	brian.walshe@lumapr.com
T&D Operator	Generation Shift Engineer	On shift	787-521-5064	
T&D Operator	Principal Shift Engineer	On shift	787-521-5066	

b. T&D Operator shall contact each of the following Resource Provider personnel:

Company	Title	Name	Phone	E-mail
Resource Provider	Operations Manager	Humberto J. Cruz Martínez	+1 787 221-4810	hjcruz@urielrenewables.com
Resource Provider	Plant Manager	[To be provided]		

4. Procedure

a. Resource Provider shall provide to T&D Operator with generation schedules in the form set out in Appendix M-2 (*Generation Schedule File Format*).

b. Facility Next Day – Hourly Generation Schedule

i. Daily, before 5:00 AM, Resource Provider shall provide T&D Operator with an hourly electrical production estimate for the current Day and the following Day.

ii. Every hour, not later than ten (10) minutes past the top of the hour, Resource Provider shall provide T&D Operator with an estimated hourly Net Electrical Output level for the following hour.

c. Facility Next Week – Hourly Generation Schedule

Once per Day, Resource Provider shall provide T&D Operator with an estimated hourly Net Electrical Output level for the following seven (7) Days.

d. Facility Next Month – Hourly Generation Schedule

Between Days 15 and 20 of each Month, T&D Operator will provide to Resource Provider an estimated hourly schedule for Net Electrical Output of the Facility for the immediately following Month, including an estimate of the total amount of Net Electrical Output to be dispatched/charged in MWh during that Month. T&D Operator will provide these estimates to Resource Provider for planning purposes only and, during the operation of the Facility, the estimated hourly schedule is subject to automatic and instantaneous change by T&D Operator, including in accordance with the EMS.

e. Startup /Shut Down Notifications

i. During normal electrical system operating conditions, Resource Provider shall use commercially reasonable efforts to provide T&D Operator with twenty-four (24) hours advance notice to either start up or shut down the Facility. These notices must be given orally and confirmed by email.

ii. Consistent with Section 6.4 (*Non-Scheduled Outages & Deratings*) of the Agreement, Resource Provider shall use commercially reasonable efforts to notify T&D Operator of any Non-Scheduled Outage or Non-Scheduled Derating no later than 5:00 pm hours (Puerto Rico time) on the third (3rd) Business Day prior to the Day that such Non-Scheduled Outage or Non-Scheduled Derating will occur.

iii. In the event of an unexpected Non-Scheduled Outage or Non-Scheduled Derating, Resource Provider shall provide notice to T&D Operator by telephone as soon as reasonably practicable and, in all cases, no more than fifteen (15) minutes following the occurrence of such Non-Scheduled Outage or Non-Scheduled Derating. Resource Provider shall, as soon as reasonably practicable thereafter, provide T&D Operator with a notice that includes:

1) the event or condition causing the Non-Scheduled Outage or Non-Scheduled Derating;

2) the date and time of such event or condition;

3) the expected end date and time of such event or condition;

4) for Non-Scheduled Deratings, the amount of Net Electrical Output available (if any) during such event or condition, and

5) any other information reasonably requested by T&D Operator.

PROCEDURE III SCHEDULED AND NON-SCHEDULED OUTAGES AND DERATINGS

1. Objective

This Procedure facilitates Scheduled and Non-Scheduled Outages and Deratings between T&D Operator and Resource Provider.

2. Scope of Procedure

This Procedure describes notifications regarding the following events:

a. Scheduled Outages;

b. Non-Scheduled Outages;

c. Scheduled Deratings; and

d. Non-Scheduled Deratings.

3. Responsibilities

In accordance with Article 6 (*Operation Of The Facility*) of the Agreement, the Parties agree, for the purposes of Scheduled Outages, Scheduled Deratings, Non-Scheduled Outages, and Non-Scheduled Deratings, that:

a. Resource Provider shall contact the each of the following T&D Operator personnel:

Company	Title	Name	Phone	E-mail
T&D Operator	Manager Energy Management	Salvador Serrano Menendez	787-521-5066	salvador.serrano@lumapr.com
T&D Operator	Director System Operations	Raphael Gignac	787-354-5223	raphael.gignac@lumapr.com
T&D Operator	Director Supply-Side Contracts Administration	Brian Walshe	303-949-4646	brian.walshe@lumapr.com

b. T&D Operator shall contact each of the following Resource Provider personnel:

Company	Title	Name	Phone	E-mail
Resource Provider	Operations Manager	Humberto J. Cruz Martínez	+1 787 221-4810	hjcruz@urielrenewables.com
Resource Provider	Plant Manager	[To be provided]		

4. Procedure

a. General

In accordance with paragraph (c) of Section 6.5 (*Emergencies*) of the Agreement, if the Facility has a Scheduled Outage, Non-Scheduled Outage, Scheduled Derating or Non-Scheduled Derating and such Outage or Derating occurs or would occur coincident with a T&D Operator declared Emergency, then at T&D Operator's request, Resource Provider shall make commercially reasonable efforts, consistent with Prudent Utility Practices to reschedule (with T&D Operator's approval) the Outage or Derating or, if such event has already commenced, to expedite the completion thereof.

b. Scheduled Outages or Scheduled Deratings

i. Resource Provider shall submit to T&D Operator a Scheduled Maintenance Program for each Year in accordance with paragraph (b) of Section 6.3 (*Scheduled Maintenance*) of the Agreement.

ii. Resource Provider shall submit the proposed Scheduled Maintenance Program pursuant to the procedures set forth in Appendix M-3 (*Scheduled Outages and Scheduled Deratings*) in the form of Appendix M.3.1 (*Form of Scheduled Maintenance Program*) and will include the following information:

1) the date and time of commencement of each Scheduled Outage or Scheduled Derating;

2) the available capacity of the Facility during the Scheduled Outage or Scheduled Derating (if any);

3) details of the maintenance activities to be completed during the Scheduled Outage or Scheduled Derating; and

4) the expected duration of the Scheduled Outage or Scheduled Derating and approximate time to restore the Facility to full operation.

iii. PREPA shall consider and approve the draft Scheduled Maintenance Program in accordance with Section 6.3 (*Scheduled Maintenance*) of the Agreement. The Parties may amend the Scheduled Maintenance Program in accordance with Section 6.3 (*Scheduled Maintenance*) of the Agreement.

c. If Resource Provider has reason to believe that the duration of the Scheduled Outage or Scheduled Derating will exceed the planned duration, Resource Provider will notify T&D Operator as soon as possible as to the cause of such delays and the additional time required to complete the Scheduled Outage or Scheduled Derating. In such event, Resource Provider will use reasonable efforts to return the Facility to operation in the shortest possible time following the end of the originally Scheduled Outage or Scheduled Derating period.

d. Resource Provider may notify T&D Operator if the work related to the Scheduled Outage or the Scheduled Derating requested by Resource Provider is completed before the expiry of the planned duration for such Scheduled Outage or Scheduled Derating. Upon receipt of such notice, T&D Operator will use commercially reasonable efforts to return the Facility to operation in the shortest possible time. For the purposes of calculating the Permitted Outage Hours, the Scheduled Outage or Schedule Derating, as applicable, will continue

until the first to occur of: (i) the return by T&D Operator of the Facility to full operation, and (ii) the expiry of the planned duration for such Scheduled Outage or Scheduled Derating.

e. Non-Scheduled Outages or Non-Scheduled Deratings

i. In accordance with Section 6.4 (*Non-Scheduled Outages & Deratings*) of the Agreement, Resource Provider shall use reasonable efforts to notify and coordinate all Non-Scheduled Outages or Non-Scheduled Deratings with T&D Operator's Operations Subdivision Head at least twenty-four (24) hours in advance of any such Outage or Derating. Resource Provider shall document and provide such notification to T&D Operator pursuant to the procedures set forth in Appendix M-4(*Non-Scheduled Outages and Non-Scheduled Deratings*) in the form of Appendix M.4.1 (*Form of Non-Scheduled Outage and Non-Scheduled Deratings Supplement*) .

ii. Resource Provider shall use reasonable efforts to coordinate Non-Scheduled Outages or Non-Scheduled Deratings to occur during times when it does not project the Facility to be dispatched, during Scheduled Outages or Schedule Deratings, or such other times as will minimize any adverse effect on the operation of the Grid System.

PROCEDURE IV COMMUNICATIONS REGARDING GRID SYSTEM

1. Objective

This Procedure facilitates communications between T&D Operator and Resource Provider regarding the Grid System.

2. Scope of Procedure

This Procedure encompasses communications between T&D Operator and Resource Provider relating to the following:

a. notifications for start-up and synchronization of the Facility;

b. Grid System Events;

c. equipment maintenance and inspection and switching practices at the Interconnection Point;

d. at risk situations;

e. relay settings;

f. certification of tests and inspections on electric and protection equipment; and

g. infrared thermography inspections at the Interconnection Point.

3. Responsibilities

In accordance with Section 3.9 (*Protocols & Procedures*) of the Agreement, the Parties agree, for the purposes of transmission of electrical generation, that:

a. Resource Provider shall contact the each of the following T&D Operator personnel:

i. for work orders and operations coordination:

Company	Title	Name	Phone	E-mail
T&D Operator	Generation Shift Engineer	On shift	787-521-5064	
T&D Operator	Transmission Operator North	On shift	787-521-5065 (115kv/230kv) or 787-521-5067 (38kv)	
T&D Operator	Transmission Operator South	On shift	787-521-3575 or 787-521-8714	

ii. for transmission programmed outages or clearances:

Company	Title	Name	Phone	E-mail
T&D Operator	Supervisor Outage Planning	Gisell D. Acevedo	787-521-5628	giselld.acevedo@lumapr.com
T&D Operator	Director Supply-Side Contracts Administration	Brian Walshe	303-949-4646	brian.walshe@lumapr.com

iii. for relay settings:

Company	Title	Name	Phone	E-mail
T&D Operator	Protection Subdivision Head			

b. T&D Operator shall contact each of the following Resource Provider personnel:

Company	Title	Name	Phone	E-mail
Resource Provider	Shift Supervisor			
Resource Provider	Plant Manager			
Resource Provider	Operation Manager	Humberto J. Cruz Martínez	+1 787 221-4810	hjcruz@urielrenewables.com

4. Procedure

a. T&D Operator Notifications Required for Facility Start-up and Synchronization

i. Resource Provider's shift supervisor shall notify the ECC Shift Engineers when it will be in a position to synchronize the Facility.

ii. T&D Operator will confirm to Resource Provider, with an order number, when the synchronization is to be completed.

iii. The Parties will follow this procedure each time the Facility is disconnected.

b. Transmission System Outages

T&D Operator shall cause the operational administrator for this Agreement to immediately notify Resource Provider of any planned Grid System outages that could directly affect the dispatch of Net Power Output to or from the Facility, and, if applicable, how much Resource Provider's dispatching activities should be limited, which shall in all cases be in accordance with Articles 6 (*Operation Of The Facility*) and 7 (*Dispatching*) of the Agreement.

c. Emergency Situations Requiring a Reduction in Generation

i. T&D Operator's shift engineers may take control of the Facility, or shall notify as soon as possible Resource Provider's shift supervisor of any potential line overloads or Emergencies that require a curtailment or disconnection of the Facility, and by how much dispatching of the Facility should be reduced, which shall in all cases be in accordance with Articles 6 (*Operation Of The Facility*) and 7 (*Dispatching*) of the Agreement.

ii. Resource Provider's personnel shall, as soon as possible, notify the T&D Operator's shift engineers of any Emergency situations at the Site which may have a direct impact upon the dispatching of the Facility. Resource Provider shall use all reasonable efforts to minimize the impact of any Emergency situation on the dispatching of the Facility.

d. Equipment Maintenance and Inspection and Switching Practices at Resource Provider Interconnection Facilities

Resource Provider shall not undertake any maintenance activity on any equipment located within the Resource Provider's Interconnection Facilities which directly interface with the Grid System without first: (i) confirming with T&D Operator the required steps for the proposed switching activity; and (ii) obtaining an order from T&D Operator's ESO Coordination and Control Supervisor permitting each switching action to be executed at Resource Provider Interconnection Facilities.

e. At-Risk Situations

Resource Provider shall coordinate and obtain a work order from T&D Operator Shift Engineers before commencing any work that interfaces with or affects the Interconnection Facilities.

f. Relay Settings

Resource Provider shall not change the relay settings of its protection systems that may have an impact on the Grid System without first coordinating with T&D Operator and obtaining a prior written authorization from T&D Operator's Protection Subdivision Head. T&D Operator shall cause the T&D Operator's Protection Subdivision Head to provide such written authorization in a reasonable time upon receipt of a request from Resource Provider, provided that Resource Provider has submitted all the required documentation in a timely manner. Resource Provider shall bear all reasonable costs and expenses incurred by T&D Operator in relation to any change to the relay settings requested by Resource Provider, including the cost of any modifications to the Grid System involving replacement relays or upgrades.

g. Certification of Tests and Inspections on Electric and Protection Equipment

In accordance with Section 6.8 (*Record Keeping*) of the Agreement, at T&D Operator's request, Resource Provider shall provide certifications of tests and inspections of the electric and protection equipment, which may impact the Grid System. T&D Operator have the right to visit and visually monitor the Site during operation and testing.

h. Infrared Thermography Inspections to the Interconnection Facilities

Resource Provider shall perform an annual infrared thermography preventive inspection to the Resource Provider Interconnection Facilities. Resource Provider shall submit an inspection report to T&D Operator during September of each Year. Resource Provider shall have responsibility for the replacements, repair, and maintenance costs of the Resource Provider Interconnection Facilities.

PROCEDURE V MONITORING AND ENFORCEMENT OF MTRS

1. Objective

The following Procedure is intended to facilitate the communications between T&D Operator and Resource Provider in relation to the management of the MTRs.

2. Scope of Procedure

The scope of this Operating Procedure describes the following:

a. information requirements;

b. monitoring and non-compliance management relating to the MTRs; and

c. penalties calculation and application relating to the MTRs.

3. Responsibilities

a. In relation to the management of the MTRs, Resource Provider shall contact the each of the following T&D Operator personnel:

Company	Title	Name	Phone	E-mail
T&D Operator	Director Supply-Side Contracts Administration	Brian Walshe	303-949-4646	brian.walshe@lumapr.com
T&D Operator	Manager Energy Management	Salvador Serrano Menendez	787-521-5066	salvador.serrano@lumapr.com

b. In relation to the management of the MTRs, T&D Operator shall contact each of the following Resource Provider personnel:

Company	Title	Name	Phone	E-mail
Resource Provider	Operations Manager	Humberto J. Cruz Martínez	+1 787 221-4810	hjcruz@urielrenewables.com
Resource Provider	Plant Manager	[To be provided]		

4. Procedure

a. Frequency Response/Regulation and Ramp Rate Control Requirement

i. Resource Provider shall ensure that the Facility is designed, constructed, operated and maintained so that it complies with the following requirements relating to frequency response and regulation:

1) Resource Provider shall design the energy storage system utilized to comply with the frequency response (FR) and ramp rate control (RRC) MTRs such that the frequency response function shall not be limited by, and shall be decoupled from, the ramp rate control. Resource Provider shall keep the frequency response of the Facility continuously in operation, even during ramp rate events. After the two (2) decoupled functions are added together, the Facility shall be able to simultaneously comply with both requirements.

2) Resource Provider shall design the energy storage system utilized to comply with the frequency response MTRs based on a storage capacity equivalent to at least nine and one-half (9.5) minutes of ten percent (10%) of Contract Capacity measured at the Interconnection Point for downward frequency events, and a similar amount for upward frequency events. This represents an equivalent of nine (9) minutes full participation, plus one (1) minute ramp down complying with the ramp rate requirement. This energy will be used on a continuous basis for regulation against frequency deviations. Resource Provider shall keep the regulation function active as long as the Facility has energy available. Resource Provider shall ensure that during periods of time where the energy storage system utilized to comply with the frequency regulation requirement is completely charged (cannot absorb more power), the PV inverters assume the responsibility of the upward frequency events.

3) Resource Provider shall keep the frequency response function active at all times that the Facility produces energy above ten percent (10%) of the Contract Capacity, and the Facility shall respond to frequency deviations (movement) via frequency regulation as long as the frequency exceeds the deadband and up to 0.3 Hz (representative for five percent (5%) droop) additional deviation in accordance with the MTRs. If frequency deviation exceeds 0.3 Hz beyond the deadband, the Facility does not have to increase the magnitude of its response any further. As soon as frequency recovers within the 0.3 Hz deviation plus the deadband, the Facility shall respond with the corresponding magnitude as long as the frequency stays within this range.

4) Resource Provider shall provide measurement information from the Facility to T&D Operator as described in item (ii), paragraph (a) of Section 4 (*Procedure*) of this Procedure V , including through the RTU, of the remaining equivalent energy of both frequency and ramp rate control functions, along with the state of charge of the storage system. If the energy available for the frequency regulation function in the energy storage system has drained, Resource Provider shall restore the function in a time period less than ten (10) minutes and with at least ninety-five percent (95%) of the energy capacity restored, after restoration of the frequency to within the frequency control dead band. The energy charging process shall not affect the ramp rate control requirement or the frequency regulation of the grid and shall not create charging cycles oscillations.

ii. Resource Provider shall ensure that the Facility is designed, constructed, operated and maintained so that it is capable of complying with the following requirements relating to ramp rate control:

1) Resource Provider shall design the energy storage system to comply with the ramp rate control requirement based on a minimum storage capacity equivalent to twenty-five (25) minutes of the thirty percent (30%) of Contract Capacity measured at the Interconnection Point. The minimum nominal power output capacity of the energy storage system utilized to comply with the ramp rate control requirement shall be thirty percent (30%) of Contract Capacity measured at Interconnection Point; and for at least one (1) minute, a minimum effective power output capacity of forty-five percent (45%) of Contract Capacity measured at the Interconnection Point. The transition from effective power output capacity to nominal power output capacity shall not exceed the ramp rate requirement of ten percent (10%) per minute.

2) The Frequency Response/Regulation and Ramp Rate Control functions shall be decoupled, continuously in operation and the facility shall be able to comply simultaneously with both requirements, while the PV facility is generating and injecting power to the grid. This means that the energy storage system shall include, as a minimum: ten percent (10%) of the contracted capacity for Frequency Response/Regulation and thirty percent (30%) of contracted capacity for Ramp Rate Control. The energy storage system shall also be able to provide a minimum effective capacity of forty-five percent (45%) of the contracted capacity for at least one (1) minute at the Interconnection Point (connection to PREPA transmission center).

3) Resource Provider shall design the energy storage system such that the frequency response/regulation and ramp rate control functions remain decoupled and continuously in operation. Resource Provider shall ensure that the Facility can comply simultaneously with both requirements while generating and injecting power to the Grid System. For this reason, the energy storage system shall include, as a minimum: ten percent (10%) of the Contract Capacity for frequency response/regulation and thirty (30%) of Contract Capacity at the Interconnection Point for ramp rate control; and minimum effective capacity of forty-five (45%) of the Contract Capacity for at least one (1) minute at the Interconnection Point.

4) For the avoidance of doubt, should the requirements for frequency regulation and ramp rate control move in the opposite directions (i.e., over frequency requiring the energy storage system to charge and a downward ramp event requiring the energy storage to discharge) the energy storage system shall provide a Net Power Output response.

iii. Resource Provider shall ensure that the Facility can provide the following frequency regulation and ramp rate configuration related measurement signals to T&D Operator:

1) Net Power Output;

2) AC power output of the Facility at Facility collector substation and at the Interconnection Point;

3) total AC power output of the PV inverters;

4) total AC power output of the energy storage system;

5) the energy storage system's frequency response storage MW participation;

6) the energy storage system's ramp rate control storage MW participation;

7) the state of charge management MW participation;

8) the frequency used for frequency response calculation;

9) the state of charge of the energy storage system;

10) the energy storage system's enable status;

11) the energy storage system's limited status;

12) remaining equivalent energy in the energy storage system for frequency regulation;

13) remaining equivalent energy in the energy storage system for ramp rate control; and

14) any additional signal that may be requested by T&D Operator.

Resource Provider shall ensure that the Facility provides all signals to the T&D Operator SCADA system with a sampling rate higher than two (2) seconds and in a manner that the T&D Operator SCADA system can store such signals, with a standard sampling rate of two (2) seconds. Resource Provider shall ensure that these signals are available to the DSMs (according to the DSM signal list provided by PREPA). These signals will be used in the following sections to monitor the frequency response and ramp rate limit (configured by T&D Operator) requirements. T&D Operator may require more signals depending in the specific Facility design, and Resource Providers shall provide any additional signals, and the final electrical one line diagram of the Facility to T&D Operator as soon as it becomes available. For clarification, for purposes of compliance and monitoring of the technical requirements of the Facility (including relating to dispatching and charging of the Facility), all physical measurements will be made at the Facility and/or the Interconnection Point as necessary, which will be provided by measurement equipment.

b. Frequency Response/Regulation Requirement Compliance Monitoring

i. T&D Operator shall monitor frequency response on a daily basis, independently of ramp rate control, according the procedure set forth below in items (ii) to (iv), paragraph (b) of Section 4 (*Procedure*) of this Procedure V .

ii. T&D Operator shall compute the required response of the Facility to frequency deviations based on the frequency bias formula set forth below, with a five percent (5%) droop characteristic or other specified droop characteristic between three percent (3%) and five percent (5%) in accordance with the MTRs:

$$f_b = NCF / (Droop\% * f_{nom}) \; MW/Hz$$

where:

f_b = Frequency bias in MW/Hz

NCF = Contract Capacity of the Facility in MW

Droop% = 5% in pu or other specified droop between 3% and 5%

f_{nom} = System nominal frequency = 60Hz

For example, for a Facility with 20 MW Contract Capacity:

$f_b = 20 / (.05*60) = 6.667$ MW/Hz

iii. The frequency response of the Facility shall always be in the opposite direction of the system frequency deviation.

f dev = absolute value (fsys – 60) in Hz

where:

fsys = Actual system frequency in Hz

f dev = Frequency deviation from the nominal system frequency in Hz

iv. The frequency bias will be applied to (multiplied by) the frequency deviation beyond the dead band. This result (FRF) establishes the increase or decrease in active power required from the Facility and measured at the Interconnection Point in response to the system frequency deviation.

FRF = (fb) (fdev – dband)

where:

FRF = Frequency response of the Facility in MW (increase or decrease in active power required in response to the system frequency deviation)

fdev = Frequency deviation from the system nominal frequency (in Hz) or the absolute value of the difference between the actual system frequency and 60 Hz

dband = Dead band in Hz

fb = Frequency bias in MW/Hz

For example, for a dead band of 0.01Hz and an increase in frequency deviation of 0.11Hz, the power output of a Facility with 20 MW Contract Capacity measured at the Interconnection Point is required to decrease by 0.667MW. On the other hand, if the frequency decreases with a frequency deviation of 0.31Hz, a 2 MW increase in active power output measured at the Interconnection Point is required.

Figure 3 below illustrates graphically a representative performance of a Facility in the context of the frequency response and regulation requirement. The dotted graph represents the system frequency and the solid one represents the Facility's active power output as measured at the Interconnection Point in response to the corresponding system frequency deviations:

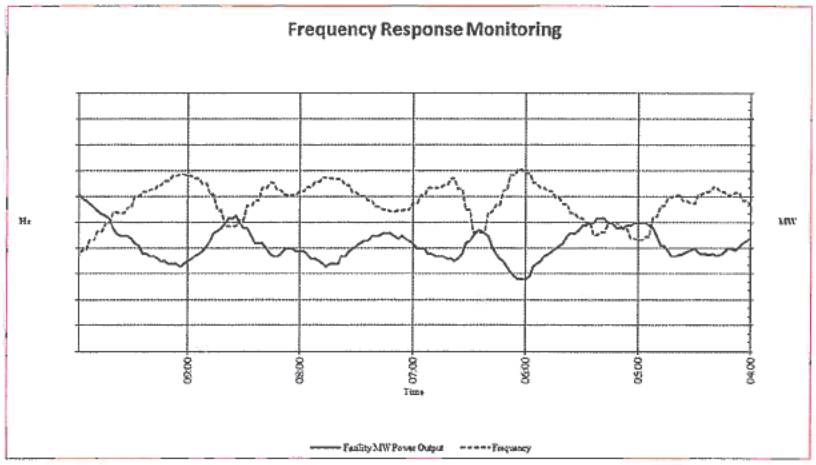


Figure 4 Frequency Response and Regulation Requirement

c. Ramp Rate Control Requirement Compliance and Compliance Monitoring

T&D Operator will apply the following exceptions for marginal non-compliance with the ramp rate control MTR, as determined in accordance with the formula set forth below in item (iv), paragraph (c) of Section 4 (*Procedure*) of this Procedure V :

i. the rates of change in active power, as measured at the Interconnection Point, in excess of ten percent (10%) per minute caused by the need to meet frequency response requirements, will not be considered as non-compliant with the ramp rate control MTR.

ii. For example, if the Facility is providing a frequency response of four percent (4%) per minute due to over-frequency (in this circumstance, the energy storage system will be charging and the plant output reduced), and a ramp down event occurs at eight percent (8%) per minute, which ramp would not require a response from the energy storage system by itself but, when combined with the frequency response, the change in output is greater than ten percent (10%) per minute. In this example, the necessity for ramp rate control is caused by the need to provide frequency response and is therefore not considered as non-compliant with the ramp rate control MTR.

iii. In the event a loss in solar irradiance causes a rate of change in active power, as measured at the Interconnection Point in excess of ten percent (10%) per minute and the energy storage system cannot control the ramp rate because it is outside of the minimum required capabilities defined in the MTRs, but performs as required, the Facility will not be considered in non-compliance. However, if the energy storage system cannot control the ramp rate as required because it does not perform

according to at least with the minimum required capabilities specified in this MTRs document, the Facility will be considered in non-compliance.

iv. T&D Operator shall monitor ramp rate control on a daily basis, independently of the frequency response, according to the following procedure:

The ramp in MW per scan of the Facility is defined as:

$$P_{sf} = P_s - P_f$$

$$R_s = |P_{sf} - P_{sf\text{-}1}|$$

where:

P_{sf} = Present Net Power Output (in MW) of the Facility measured at the Interconnection Point with the frequency response storage MW participation removed;

P_s = Present Net Power Output (in MW) of the Facility measured at the Interconnection Point;

P_i = Frequency response storage MW participation;

Rs = Absolute value of ramp in MW per scan; and

$P_{sf\text{-}1}$ = Net Power Output (in MW) of the Facility measured at the Interconnection Point with the frequency response storage MW participation removed, one (1) scan before, which is two (2) seconds previous P_{sf}.

T&D Operator shall calculate the ramp rate for each scan according to the following formula, and expressed as a percentage of the Contract Capacity per minute (30 scans):

$$RR = \frac{Rs\ x\ 30}{P_F} x\ 100$$

where:

RR = Ramp rate in % of Facility capacity per minute;

Rs = Ramp in MW per scan; and

P_i = Contract Capacity (in MW)

The required ramp rate is ten percent (10%), with an additional ten percent (10%) tolerance to exclude scans which are marginally in non-compliance. In the event a scan exceeds the required ramp rate plus the tolerance, T&D Operator will calculate an alternate corrected scan to identify the amount of Facility's power

output required for this scan to be in compliance (at the ten percent (10%) required ramp rate).

If RR > 11%,

$$P_{ASD} = P_{Sf-1} - \frac{(10\%)P_F}{30}$$

or

$$P_{ASU} = P_{Sf-1} + \frac{(10\%)P_F}{30}$$

for the first scan,

or

$$P_{ASD} = P_{ASD-1} - (10\%)P_F / 30$$

or

$$P_{ASU} = P_{ASU-1} + (10\%)P_F / 30$$

for the remaining scans during the event;

where:

P_{ASD}	=	Alternate corrected calculated scan in MW for down ramps;
P_{ASU}	=	Alternate corrected calculated scan in MW for up ramps;
P_{ASD-1}	=	Previous alternate corrected calculated scan in MW for down ramps;
P_{ASU-1}	=	Previous alternate corrected calculated scan in MW for up ramps;
P_{Sf-1}	=	MW power output of the Facility measured at the Interconnection Point with the frequency response storage MW participation removed, one (1) scan before P_{sf}; and
P_F	=	Facility Contract Capacity in MWAC.

For downward ramps, T&D Operator shall evaluate any scan thereafter for compliance in which the Facility MW power output falls below this alternate corrected calculated scan. To determine if the event is still ongoing, T&D Operator will subtract the present Facility power output from the corrected Facility power output, as follows:

$$X = P_{ASD} - P_{Sf}$$

where:

P_{sf} = Present MW power output of the Facility measured at the Interconnection Point with the frequency response storage MW participation removed; and

P_{ASD} = Alternate corrected calculated scan in MW for down ramps.

$X > 0$ means the event remains still ongoing, and the scan needs to evaluated for compliance.

The first scan where RR > eleven percent (11%) will establish the starting point for compliance evaluation of the event. The first scan where X < zero (0) will establish the end point of compliance evaluation of the event. The time elapsed between these two points will be the event period.

To evaluate scans during the event period for compliance, T&D Operator will compare the measured ramp rate control storage MW participation against the nominal or effective ramp rate control storage MW requirement according to the following protocol:

If PRR > ESC, then the scan is in compliance; and

If PRR < ESC, then the scan needs to be evaluated further to determine if the minimum one (1) minute for Effective ramp rate control Storage MW has passed, as follows: if T < one (1) minute, then the scan is out of compliance.

If the event period is greater than one (1) minute and T > 1 minute, T&D Operator will need to evaluate the remaining scans in the event period further to determine if PRR > NSC, in which case the scan is in compliance, or if PRR < NSC, in which case the scan is out of compliance. The transition from ESC to NSC shall not exceed the ramp rate (10% of Contract Capacity/min) MTRs requirements.

where:

P_{RR} = Measured ramp rate control storage MW participation;

P_{FR} = Frequency response storage MW participation;

ESC = Effective ramp rate control storage MW;

NSC = Nominal ramp rate control storage MW; and

T = Time elapsed since the effective storage capacity is in use.

If the Facility is non-compliant with the MTRs, the MTR non-compliance management procedure in paragraph (h) of Section 4 (*Procedure*) of this Procedure V will apply, and the proposed curtailment will be based on the maximum insufficiency or worst scan during the non-compliance event period.

For upward ramps, any scan thereafter in which the Facility MW power output or Psf is more than this alternate corrected calculated scan or PASU, will be considered out of compliance, and the MTR non-compliance management procedure in paragraph (h) of Section 4 (*Procedure*) of this Procedure V will apply. For such a non-compliance event, curtailing the Facility is not an option, since no external resources are needed, and the Facility power plant controller should have been able to enforce compliance. In this case, the Facility MW power output shall be reduced to zero (0) MW.

d. Voltage Ride Through (VRT) Requirement Compliance Monitoring

T&D Operator will monitor the voltage ride through using parameters data obtained from the DSM and SCADA. After system events or disturbances such as voltage events or faults, T&D Operator will evaluate the performance of the Facility according to the MTRs. T&D Operator will use system and Facility parameters data from the DSM and SCADA for the compliance evaluation. If T&D Operator determines that the Facility is non-compliant, the MTR non-compliance management procedure in paragraph (h) of Section 4 (*Procedure*) of this Procedure V will apply.

e. Voltage Regulation System (VRS) Requirement Compliance Monitoring

T&D Operator will monitor voltage regulation system using parameters data obtained from the DSM and SCADA. T&D Operator will evaluate parameters, such as voltage regulation accuracy, voltage regulation system response time, overshoot, and reactive power contribution based on voltage set point and voltage droop, according to the MTRs. If T&D Operator determines that the Facility is in violation of the MTRs, the MTR non-compliance management procedure in paragraph (h) of Section 4 (*Procedure*) of this Procedure V will apply. In addition to regular monitoring, T&D Operator may require Resource Provider to perform periodic tests to evaluate compliance with specific voltage regulation system requirements.

f. Reactive Power Capability and Minimum Power Factor Requirement Compliance Monitoring

T&D Operator will monitor the reactive power capability and minimum power factor requirement of the Facility using parameters data obtained from the DSM and SCADA. Resource Provider shall ensure that the reactive power capability of the Facility complies with the MTRs. If T&D Operator determines that the Facility is in violation of the MTRs, the MTR non-compliance management procedure in paragraph (h) of Section 4 (*Procedure*) of this Procedure V will apply. In addition to regular monitoring, T&D Operator may require Resource Provider to perform periodic tests to evaluate compliance with the reactive power capability and minimum power factor requirement of the Facility.

g. Frequency Ride Through (FRT) Requirement Compliance Monitoring

T&D Operator will monitor frequency ride through using parameters data obtained from the DSM and SCADA. After system events or disturbances such as frequency events or faults, T&D Operator will evaluate the performance of the facility according to the MTRs. If T&D Operator determines that the Facility is in violation of the MTRs, the MTR non-compliance management procedure in paragraph (h) of Section 4 (*Procedure*) of this Procedure V will apply.

h. MTR Non-Compliance Management Procedure

i. In accordance with the Agreement, T&D Operator shall have no liability (and no Waiting Period accrual or Deemed NEO payment) in connection with any disconnection or curtailment in the Facility's Net Power Output required by T&D Operator related to MTR non-compliance.

ii. T&D Operator will monitor the performance of the Facility to verify its compliance with the MTRs, in accordance with paragraphs (a) through (g) of Section 4 (*Procedure*) of this Procedure V .

iii. If T&D Operator determines that the Facility is non-compliant with the MTRs, T&D Operator may curtail the Facility in such a scope and for such a duration as is consistent with Prudent Utility Practice, and to a level that would have complied with the event (the "**Curtailment Level**"). The following are examples of the Curtailment Level calculation:

A. Non-compliance in ramp rate control or frequency response due to a reduction in the battery energy storage active power capacity:

Curtailment Level = New battery energy storage system active power capacity / 45%

For example, in a 10 MW Facility where the battery energy storage system active power capacity is reduced from 4.5 MW (45%) to 3.5 MW (35%) the Facility will be curtailed to:

Curtailment Level = 3.5 MW/.45 = 7.78 MW

B. Noncompliance in reactive power capability requirement:

According to the reactive power capacity MTR set forth in Section 3 of Appendix L (*Minimum Technical Requirements*), the Facility, to comply with the 0.85 power factor, shall have at least the capacity to provide 0.62 of the Contract Capacity. For example, in a 10 MW Facility, the reactive power capability requirement shall be of at least 6.2 MVARs (10 x 0.62). For this Facility, if the reactive power capability is reduced to 4 MVARs, the Facility will be curtailed to:

Curtailment Level = 3.5 MW/.45 = 7.78 MW

iv. For MTR non-compliance events that do not depend on the Facility's Net Power Output for which curtailment is not an effective remedy (including frequency response, voltage regulation, frequency ride through, voltage ride through or upward ramps), T&D Operator may disconnect the Facility or curtail the Facility's active power output to zero (0) MW, in such a scope and for such a duration as is consistent with Prudent Utility Practices.

v. Scheduled Deratings and Non-Scheduled Deratings may affect how the Facility responds to the requirements specified in the MTRs. If a Scheduled Derating or a Non-Scheduled Derating may affect compliance with the MTRs, Resource Provider shall ensure that the auto-curtailment implementation of the Facility shall respond to this situation and Resource Provider will indicate the level of curtailment, if any, expected to keep the Facility in full compliance with the MTRs during the Scheduled Derating or the Non-Scheduled Derating in the form of, for Scheduled Deratings, Appendix M.3.1 (*Form of Scheduled Maintenance Program*), and for Non-Scheduled Deratings, Appendix M.4.1 (*Form of Non-Scheduled Outage and Non-Scheduled Deratings Supplement*). The curtailed level of capacity will replace the Contract Capacity for purposes of compliance monitoring calculations of this procedure for the duration of the capacity limitation

vi. The following procedure will apply for capacity non-compliance events:

1) T&D Operator will provide to Resource Provider a written notification, via email, of the MTR non-compliance event or events, including the corresponding events data and/or graphs, Curtailment Level, and non-compliance test conditions, as described in the following sentence. If the MTR non-compliance event or events are severe, which means an event where the Curtailment Level is greater than ten percent (10%) of Contract Capacity, or events where Curtailment Level is less than or equal to ten percent (10%) of Contract Capacity but occur daily for two (2) consecutive Days, then T&D Operator may apply a curtailment or disconnect the Facility prior to the written notification, and T&D Operator will provide the verbal notification as soon as practical.

2) Resource Provider will have forty-eight (48) hours from receipt of T&D Operator's written notification to review the notification and provide to T&D Operator a written report, via email, including the causes of the Facility non-compliance, proposed corrective actions, and approximate time it will take to bring the Facility back to the compliance state (the "**MTR Non-Compliance Report**"). Should Resource Provider reasonably require additional time to prepare the MTRs Non-Compliance Report, then Resource Provider shall request an extension from T&D Operator within the initial forty-eight (48) hour period. T&D Operator may provide an extension of up to ninety-six (96) additional hours to provide the MTRs Non-Compliance Report. The Parties acknowledge that for severe MTRs non-compliance events (as described above), T&D Operator may curtail or disconnect the Facility prior to T&D Operator's written notice or Resource Provider's preparation of the MTRs Non-Compliance Report.

3) If corrective actions are required, Resource Provider will perform the corrective actions, and when completed, will provide to T&D Operator a written report indicating the corrective actions taken, including documentation reasonably required to demonstrate the corrective actions were completed ("**MTR Corrective Action Report**"). If no corrective actions are required, for example, due to an incorrect MTR compliance calculation, Resource Provider will indicate so in the MTR Non-compliance Report and shall include documentation reasonably required to support this position. If any curtailment or disconnection had been previously applied for the non-compliance event, T&D Operator, after the complete evaluation of the corresponding report, shall fully lift the curtailment or disconnection of the Facility as soon as practical.

4) If Resource Provider takes corrective actions, T&D Operator will monitor the Facility for a test period sufficient to expose the Facility to the non-compliance test conditions after completion of the corrective actions. The test period will begin after T&D Operator receives and evaluates the MTR Corrective Action Report and will end after the Facility is exposed to the non-compliance test conditions.

5) If the Facility fails to comply with the previously failed MTR under the non-compliance test conditions, T&D Operator will disconnect or curtail the Facility to the Curtailment Level, and Resource Provider shall provide to T&D Operator a further MTRs Non-Compliance Report and repeat the Procedures set forth above in items (3) and (4) of paragraph (vi) of paragraph (h) of Section 4 (*Procedure*) of this Procedure V .

6) If the Facility complies with the previously failed MTR under the non-compliance test conditions, regular monitoring shall resume.

7) If after Resource Provider takes corrective actions, the Facility fails to comply with the previously failed MTR under the non-compliance test conditions one (1) additional time consecutively (for a total of two (2) consecutive failures), T&D Operator may issue a written notice of default pursuant to paragraph (g) of Section 16.1 (*Definition*) of the Agreement after the third (3rd) consecutive failure.

PROCEDURE VI EMERGENCY COMMUNICATIONS

1. Objective

This following Procedure facilitates the communications between T&D Operator and Resource Provider during Emergency situations.

2. Scope of Procedure

This Procedure describes the following:

a. a T&D Operator declared Emergency;

b. a Resource Provider declared Emergency;

c. guidelines for recovery from a widespread electrical blackout;

d. loss of primary and secondary pilot protection at the Interconnection Facilities; and

e. disturbance analysis reporting.

3. Responsibilities

In accordance with Article 6 (*Operation Of The Facility*)and Article 7 (*Dispatching*) of the Agreement, the Parties agree, for the purposes of Emergency communications, that:

a. Resource Provider shall contact the each of the following T&D Operator personnel:

Company	Title	Name	Phone	E-mail
T&D Operator	Principal Shift Engineer	On shift	787-521-5066	
T&D Operator	Generation Shift Engineer	On shift	787-521-5064	

b. T&D Operator shall contact each of the following Resource Provider personnel:

Company	Title	Name	Phone	E-mail
Resource Provider	Plant Manager	[To be provided]		
Resource Provider	Operation Manager	Humberto J. Cruz Martínez	+1 787 221-4810	hjcruz@urielrenewables.com

4. Procedure

a. T&D Operator Declared Emergency

i. Consistent with Section 6.6 (*Restoration of the Facility*) of the Agreement, if T&D Operator declares an Emergency, T&D Operator will take exclusive control of dispatching the Facility and then shall notify Resource Provider's personnel.

Without limiting the generality of the foregoing, the ECC may require Resource Provider's personnel to delay synchronization or raise or lower dispatch of electricity from the Facility to maintain safe and reliable load levels and voltages on the Grid System, which shall in all cases be in accordance with the Facility design, relevant Facility Permits and Prudent Utility Practices.

ii. T&D Operator will maintain the record for such an Emergency.

iii. T&D Operator shall, as soon as practicable after the occurrence of the Emergency, submit to Resource Provider a report describing the causes for such action.

b. Resource Provider Declared Emergency

If, for the safeguarding of equipment, plant and/or personnel Resource Provider needs to take equipment and/or plant out of service immediately, resulting in a Derating or an Outage of the Facility, Resource Provider shall notify the T&D Operator as soon as possible (prior to the event if possible). Resource Provider shall use best efforts to maintain the Net Electrical Output during such situations, but in all cases shall keep T&D Operator informed as to the status of the Emergency. Resource Provider shall, as soon as practicable after the occurrence of the Emergency, submit to Resource Provider a report for the causes for such action.

c. Procedures for Recovery from a Local or Widespread Electrical Blackout

i. After a system blackout, which results in a disconnection of the Facility, T&D Operator shall provide Resource Provider with a work order specifying when Resource Provider can synchronize the Facility back to the Grid System, in the manner described in Procedure I (*Dispatch of Power Generation*) of these Operating Procedures.

ii. After a system disturbance, resulting in a temporary outage at the Interconnection Point, T&D Operator shall provide Resource Provider with a work order specifying when Resource Provider can synchronize the Facility back to the Grid System, in the manner described in Procedure I ((*Dispatch of Power Generation*) of these Operating Procedures.

d. Procedures for Recovery from a Force Majeure Event

i. After an event or circumstance of Force Majeure, which results in a shutdown or disconnection of the Facility, T&D Operator may request Resource Provider to provide a technical assessment of the condition of the Facility to interconnect with the Grid System. If T&D Operator requests such technical assessment, Resource Provider must include in this technical assessment the findings of the visual inspections, damages, and their respective corrective actions, as well as the electrical testing of the Facility and its equipment as recommended by the manufacturers. Resource Provider shall submit all this information to T&D Operator for evaluation prior to any interconnection authorization of the Facility or notification of Facility Availability.

ii. As soon as practicable after receipt of the information provided by Resource Provider, T&D Operator will authorize the interconnection of the Facility,

provided that it is reasonable and safe to do so in accordance with Prudent Utility Practices.

e. Interconnection Facilities Loss of Primary and Secondary Protection

Whenever Resource Provider or T&D Operator determines that both primary and secondary pilot protections between the Facility and the Interconnection Point are not operating, T&D Operator may disconnect the Facility. Resource Provider and T&D Operator shall coordinate to promptly and prudently restore primary and secondary pilot protections in accordance with Prudent Utility Practices. When at least one (1) of either primary or secondary pilot protection has been restored, T&D Operator will reconnect the Facility in the manner described in Procedure I *(Dispatch of Power Generation*) of these Operating Procedures. Resource Provider is responsible for both, primary and secondary pilot protections, therefore T&D Operator shall not have any liability for disconnection of the Facility.

f. Disturbance Analysis Reporting

i. When an internal incident occurs inside the Facility, including its connection appurtenances, which results in any consequence or disturbance to the Grid System, Resource Provider will provide T&D Operator with verbal details, telephonically, of the cause of the event determined from the relay panel (if applicable) within approximately two (2) hours of the start of the event. Resource Provider shall submit a disturbance analysis report pursuant to the procedures set forth in Appendix M-6 (*Disturbance Analysis Report)* and in the form of Appendix M.6.1 (*Form of Disturbance Analysis Report*) to T&D Operator within twenty-four (24) hours of the aforesaid incident, and if applicable, the report shall include a copy of the sequence of events report downloaded from the relays. During the next forty-eight (48) hours after the incident occurs, Resource Provider shall make all reasonable efforts to submit a final report including all details of such mentioned incident in a written letter to the T&D Operator Head of the Electric System Operation Division.

ii. If the internal disturbance at the Facility disturbance results in a generation loss deviating the Grid System frequency by three-tenths (0.3) Hz or more, Resource Provider shall include the report the magnitude of the lost generation, the mechanical or electronical consequences of the abnormal situation, the general findings and the corrective measures taken arising from the incident.

iii. If the disturbance results in a forced disconnection of the Facility by T&D Operator from the Grid System, or an accident or any undesired or unexpected result as reflected in the Grid System, Resource Provider shall analyze the event and submit to T&D Operator a report in respect of such disturbance. The report shall include, but not be limited to, the sequence of the detected events, the interconnection devices operated, all the protections activated (correctly or not) and the consequences arising from the incident.

PROCEDURE VII GENERAL COMMUNICATIONS

1. Objective

This Procedure facilitates the communications between T&D Operator and Resource Provider pursuant to Section 20 (*Notices*) and Section 3.9 (*Protocols & Procedures*) of the Agreement.

2. Method of Day-to-Day Communications

a. Written Communications

Resource Provider and T&D Operator shall send all written communications by email or mail, depending of the urgency of the communication.

b. Oral Communications

Resource Provider and T&D Operator will conduct day-to-day communications primarily use of land line phone or cell phone.

c. Meetings

Either party can request a meeting at any time considered necessary, to discuss any topic related, among others, to Resource Provider's operations, the Grid System, and accounting issues. Meeting dates, times, and places will be arranged by both parties. The party requesting the meeting should provide in advance an agenda of the proposed meeting to the other party, and shall take, prepare and distribute meeting notes to the other party, and shall keep track of any action/open items resulting from the meeting.

APPENDIX M-1

CURTAILMENT OR DISCONNECTION EVENTS

1. Curtailments and Disconnection Events

a. If T&D Operator declares an Emergency or an event or circumstance of Force Majeure or Grid System Event occurs, T&D Operator may curtail or disconnect the Facility. The Facility shall remain curtailed or disconnected until Resource Provider has received permission from T&D Operator to increase electrical output or reconnect.

b. T&D Operator shall provide written notice, as soon as practicable after the occurrence of an Emergency or any other event or circumstance of Force Majeure, with particulars of the event and its estimated duration.

c. The ECC shall notify Resource Provider when the Facility can reconnect to the Grid System. Prior to reconnection of the Facility, Resource Provider shall: (i) provide written confirmation to the T&D Operator that the Facility can reconnect to the Grid System (including the date and time the Facility will be available to reconnect); and (ii) notify the T&D Operator of the availability of the Facility (or percentage of the Facility's Generating Capacity available) to generate and deliver Net Electrical Output in compliance with the MTRs.

d. T&D Operator and Resource Provider shall keep a detailed record of each disconnection or curtailment event caused by an Emergency, event or circumstance of Force Majeure or Grid System Event, and shall determine if these events exceed any applicable Waiting Periods for an Agreement Year, including the applicable Grid System Waiting Period and Force Majeure Waiting Period, in the forms set out below which the Parties shall use to reconcile these records for each event.

2. Completion Procedure for Disconnection and Curtailment Event Logs

Within forty-eight (48) hours after the conclusion of any event of disconnection or curtailment, Resource Provider shall complete and submit to T&D Operator the Grid System Event log or Force Majeure Event log, as applicable, in the form set out in Appendix M.1.1 (*Form of Grid System Event Log*). The information recorded in the Grid System Event Log and Force Majeure Event Log shall include:

a. the incident number and type of incident (i.e., curtailment, disconnection, or both);

b. the event start and end dates, duration, and curtailment/disconnection percentage, where the event start time shall be the time that the Facility de-synchronizes from the Grid System, or curtailment begins, and event end time shall be the time the Facility re-synchronizes with the Grid System, inclusive of the typical time for start-up and synchronization, or when the curtailment ends;

c. the cause of the incident;

d. the corrective measures taken by T&D Operator or Resource Provider in response to the incident;

e. any additional relevant details regarding the incident;

f. the date and time the Facility is available to deliver Net Power Output and the Net Power Output of the Facility that can be made available at the Interconnection Point in compliance with the MTRs; and

g. allocation of time towards any applicable Waiting Period for the event under consideration and any time that exceeds the applicable Waiting Period.

Within forty-eight (48) hours after receipt of the Grid System Event Log or Force Majeure Event Log, as applicable, T&D Operator shall acknowledge receipt of the Grid System Event Log or Force Majeure Event Log, as applicable, by counter-signing and returning it to Resource Provider.

3. Completion Procedure

Resource Provider shall cause the Resource Provider's shift supervisor to complete the following sections of the Facility Status Report in the form set out in Appendix M.1.3 (*Form of Facility Status Report*) and deliver such Facility Status Report to T&D Operator to facilitate communications relating to the Facility status:

a. date of the report;

b. status of the automatic voltage regulator (AVR) for the Facility;

c. status of the control system for the Facility (voltage regulation & control, frequency response, etc.);

d. status of energy storage system component of the Facility;

e. status of the capacitor bank (if applicable);

f. status of the STATCOMs (if applicable);

g. status of meteorological stations and Reference Pyranometers;

h. status of the DSM;

i. status of any other equipment deemed necessary based on the specification of the Facility;

j. a summary of the operating conditions of the Facility; and

k. the causes of any restrictions to active or reactive loading.

APPENDIX M.1.1

FORM OF GRID SYSTEM EVENT LOG

Grid System Event Log

Incident No: _____

Event Start Date	Event Start Time	Event End Date	Event End Time	Duration (hh:mm:ss)	Curtailment %

Cause of Incident: _____

_____

Corrective Measures: _____

_____

Additional Details: _____

_____

Facility Capable to Deliver Net Power Output from (mm/dd/yy hh:mm:ss:) _____ **% of Capacity:** _____

Waiting Period[1]	
Year to Date	
Aggregate Hours under curtailment or disconnection due to Grid System Events for Year	Time exceeding Waiting Period
Incidents	Incidents

Note 1: Totals include all applicable incidents

Recorded By:
Record
Date:

APPENDIX M.1.2

FORM OF FORCE MAJEURE EVENT LOG

Force Majeure Event Log

Incident Reference No: _____

Event Start Date	Event Start Time	Event End Date	Event End Time	Duration (hh:mm:ss)	Curtailment %

Cause of Incident: _____

_____

Corrective Measures: _____

_____

Additional Details: _____

_____

Facility Capable to Deliver Electrical Power Output from (mm/dd/yy hh:mm:ss) _____ **% of Capacity:** _____

Waiting Period[1]	
Year to Date	
Aggregate Hours under curtailment or disconnection due to Force Majeure for Year	Time exceeding Waiting Period
Incidents	Incidents

Note 1: Totals include all applicable incidents

Recorded by: _____

Record Date: _____

Confirmed by T&D Operator: _____

Confirmation Date: _____

APPENDIX M.1.3

FORM OF FACILITY STATUS REPORT

[●]

FACILITY STATUS REPORT

Date / Time submitted: _____

Submitted by (Resource Provider): _____

Equipment	Status	Value	Comments
Control System			
Voltage Regulator			
Energy Storage System			
Capacitor Bank			
STATCOMs			
Facility Capacity			
Switch Yard			
Protection System			
Meteorological System & Pyranometers			
Etc.			

Supervisor in charge: [●] ***Phone: [●]***

APPENDIX M-2

GENERATION SCHEDULE FILE FORMAT

Resource Provider shall provide generation schedules in ASCII space delimited format as shown in the example set forth below and in text format. The information shall include hourly Net Electrical Output and average and peak Net Power Output.

Example: Assume the net MWh profile changes from seventy (70) MWh to zero (0) MWh in twenty-four (24) hours. The data for the next twenty-four hours will be generated as follows:

NAM ZZZZZZZZ

SNT YYYYMMDD 010000 0

MWP YYYYMMDD 010000 0 70.000	70.000	70.000
MWP YYYYMMDD 020000 0 60.000	60.000	60.000
MWP YYYYMMDD 030000 0 50.000	50.000	50.000
MWP YYYYMMDD 040000 0 70.000	70.000	70.000
MWP YYYYMMDD 050000 0 60.000	60.000	60.000
MWP YYYYMMDD 060000 0 50.000	50.000	50.000
MWP YYYYMMDD 070000 0 70.000	70.000	70.000
MWP YYYYMMDD 080000 0 60.000	60.000	60.000
MWP YYYYMMDD 090000 0 50.000	50.000	50.000
MWP YYYYMMDD 100000 0 70.000	70.000	70.000
MWP YYYYMMDD 110000 0 60.000	60.000	60.000
MWP YYYYMMDD 120000 0 50.000	50.000	50.000
MWP YYYYMMDD 130000 0 70.000	70.000	70.000
MWP YYYYMMDD 140000 0 60.000	60.000	60.000
MWP YYYYMMDD 150000 0 00.000	00.000	00.000
MWP YYYYMMDD 160000 0 00.000	00.000	00.000
MWP YYYYMMDD 170000 0 70.000	70.000	70.000
MWP YYYYMMDD 180000 0 60.000	60.000	60.000

MWP YYYYMMDD 190000 0 50.000	50.000	50.000
MWP YYYYMMDD 200000 0 70.000	70.000	70.000
MWP YYYYMMDD 210000 0 60.000	60.000	60.000
MWP YYYYMMDD 220000 0 00.000	00.000	00.000
MWP YYYYMMDD 230000 0 00.000	00.000	00.000
MWP YYYYMMDD 240000 0 00.000	00.000	00.000

The first record in the file contains the Facility name. The second record in the file contains the date and time the file was created. The third record contains the hourly amount of Net Electrical Output in MWh. The fourth record contains the average megawatt Net Power Output from the Facility in MW. The fifth record in the file contains the peak megawatt Net Power Output from the Facility in MW. If within the twenty-four (24) hour period there are additional changes to the MWh profile of Net Electrical Output (such as mid-hour curtailments), a record should be written for every inflection point of the MWh curve.

APPENDIX M-3

SCHEDULED OUTAGES AND SCHEDULED DERATINGS

At the times required in accordance with Section 6.3 (*Scheduled Maintenance*) of the Agreement, Resource Provider Resource Provider shall provide to T&D Operator's ECC (signed and submitted by Resource Provider's plant manager) a proposed Scheduled Maintenance Program in the form set out in Appendix M.3.1 (*Form of Scheduled Maintenance Program*) providing:

a. for each Scheduled Outage:

   i. the date and time of the commencement of such Scheduled Outage (i.e., the point in time when the Facility is desynchronized and no longer available for dispatch);

   ii. the expected duration of such Scheduled Outage from the date and time of desynchronization of the Facility to the date and time the Facility is once again available for dispatch; and

   iii. details of the reasons for the Scheduled Outage and a reference to any supplementary information; and

b. for each Scheduled Derating:

   i. the date and time of commencement of each Scheduled Derating (i.e., the point in time when the Facility has reduced capacity for discharging);

   ii. the expected duration of such Scheduled Derating from the date and time when the Facility has reduced capacity for dispatch until such time as the capacity of the Facility is restored; and

   iii. details of the reasons for the Scheduled Derating and a reference to any supplementary information.

T&D Operator shall cause the operational administrator for this Agreement to acknowledge receipt of the Scheduled Maintenance Program by completing the received by section of the form and returning it to Resource Provider. The operational administrator's signature only indicates acknowledgement of receipt of the form and, for the avoidance of doubt, does not indicate acceptance of the proposed dates. T&D Operator will indicate its acceptance of all or any of the proposed dates and/or propose alternate dates in writing to Resource Provider in accordance with the procedures in paragraph (b) of Section 4 of Procedure III (*Scheduled and Non-Scheduled Outages and Deratings*) of the Operating Procedures.

If any delay in the completion of any Scheduled Outage or Scheduled Derating occurs, Resource Provider shall notify T&D Operator of the delay, with such notice to include the following information:

a. revised Scheduled Outage completion date and time; and

b. reference attached information outlining the cause(s) of the delay.

APPENDIX M.3.1

FORM OF SCHEDULED MAINTENANCE PROGRAM

Scheduled Outages or Scheduled Deratings

Date/Time Submitted _____

Submitted by Resource Provider _____

Received by T&D Operator _____

Date and Time of Reception of Proforma by T&D Operator	Date and Time of Commencement of Scheduled Outage or Scheduled Derating	Scheduled Outage or Scheduled Derating Details	Expected Duration of Scheduled Outage or Scheduled Derating

APPENDIX M-4

NON-SCHEDULED OUTAGES AND NON-SCHEDULED DERATINGS

Resource Provider shall complete the sections set forth below of the form notice set out in Appendix M.4.1 (*Form of Non-Scheduled Outage and Non-Scheduled Deratings Supplement*) and email it to the T&D Operator's Operation Subdivision Head (submitted and signed by Resource Provider's plant manager or operations manager). Resource Provider shall use reasonable efforts to notify T&D Operator of any Non-Scheduled Outages or Non-Scheduled Deratings at least twenty-four (24) hours in advance.

a. In respect of a Non-Scheduled Outage:

   i. the date and time of the commencement of such Non-Scheduled Outage (i.e., the point in time when the Facility is desynchronized and no longer available for dispatch);

   ii. a summary of the cause of the Non-Scheduled Outage; and

   iii. the expected duration of the Non-Scheduled Outage in hours from the date and time of desynchronization to the date and time that the Facility will once again become available for dispatch; and

b. In respect of a Non-Scheduled Derating:

   i. the date and time of the commencement of the Non-Scheduled Derating, being the point in time when the Facility has reduced capacity for dispatch;

   ii. a summary of the cause of the Non-Scheduled Derating; and

   iii. the expected duration of the Non-Scheduled Derating in hours from the date and time of the reduction in capacity to the date and time that Resource Provider restores the full capacity of the Facility.

Resource Provider shall revise the date and time notified in accordance with paragraph (3) of paragraphs (a) and (b) above, respectively, as circumstances require through regular communication with the T&D Operator.

APPENDIX M.4.1

FORM OF NON-SCHEDULED OUTAGE AND NON-SCHEDULED DERATINGS SUPPLEMENT

Non-Scheduled Outages or Non-Scheduled Deratings

Date/Time Submitted _____

Submitted by Resource Provider _____

Received by T&D Operator _____

Date and Time of Reception of Proforma by T&D Operator	Date and Time of Commencement of Non-Scheduled Outage or Non-Scheduled Deratings	Non-Scheduled Outage or Non-Scheduled Deratings Details[4]	Expected Duration of Non-Scheduled Outage or Non-Scheduled Deratings

4 Note: Provide summary of reason for Non-Scheduled Outage or Non-Scheduled Derating and work to address the cause of the Non-Scheduled Outage or Non-Scheduled Derating.



APPENDIX M-6

DISTURBANCE ANALYSIS REPORT

Resource Provider shall use the form disturbance analysis report set out in the form of Appendix M.6.1 (*Form of Disturbance Analysis Report*) as the basis for reporting to T&D Operator disturbances to the Grid System caused by an incident internal to the Facility as outlined in paragraph (f) of Section 4 of Procedure V (*Monitoring and Enforcement of MTRs*) of the Operating Procedures.

Resource Provider shall obtain and retain any additional data required to support the analysis of the system disturbance by Resource Provider for possible future discussions with T&D Operator.

APPENDIX M.6.1

FORM OF DISTURBANCE ANALYSIS REPORT

Disturbance Analysis Report

Incident Reference Number _____

Date of Incident _____

Time of Incident _____

Facility Involved in Incident _____

Pre-Incident Details

System Frequency	System Voltage	Plant Load

Post-Incident Details

System Frequency	System Voltage	Plant Load

Details of Incident _____

_____

Relays Operated _____

_____

Alarms Initiated _____

_____

Cause of Incident _____

_____

_____

_____

_____

_____

Consequences _____

_____

_____

_____

_____

_____

Corrective Measures _____

_____

_____

_____

_____

Report Submitted By _____

Report Submitted Date: _____ **Time** _____

APPENDIX N

TESTING PROTOCOL

1. General

This Testing Protocol sets out:

a. the testing requirements and acceptance criteria for carrying out the Performance Tests for the Facility;

b. the requirements for annual and return to service tests for the Facility; and

c. the requirements for factory acceptance tests.

Resource Provider shall (i) perform all tests in accordance with this Testing Protocol, utilizing plant personnel qualified to perform the required testing, (ii) review the results of the tests to confirm whether the Resource Provider Interconnection Facilities or remainder of the Facility, as applicable, pass(es) the applicable test, and (iii) provide the results to T&D Operator for review and acceptance.

Resource Provider shall ensure that all tests are performed in a grid-tied configuration and that the equipment configuration during testing is managed in the same way as is expected during Commercial Operation. Resource Provider shall monitor the Facility using internal instrument transformers, external instrument transformers, and metering functionalities to monitor and record voltages, currents, power disturbances, etc.

In the event of any conflict between the terms and conditions of this Testing Protocol and the Agreement, the terms and conditions of the Agreement shall prevail. Resource Provider acknowledges and agrees that (i) its compliance with this Testing Protocol does not relieve Resource Provider from any liability that it has under the Agreement, and (ii) PREPA shall not be liable to Resource Provider or any other Person by reason of its review or approval of this Testing Protocol and/or the Testing Plan (as defined in paragraph (b) of Section 2 (*Performance Tests*) of this Testing Protocol).

The T&D Operator shall be deemed to be acting as PREPA's agent in its approval and implementation of the Testing Protocol and Testing Plan, and Resource Provider shall have the same rights, privileges and defenses against PREPA regarding the T&D Operator's actions as if PREPA had performed the functions assigned to the T&D Operator thereunder.

2. Performance Tests

a. Objective

The objective of the Performance Tests is to (i) establish the Contract Capacity and confirm that the Generating Capacity can meet the Minimum Acceptance Capacity, Maximum Dispatch Limit and Other Minimum Acceptance Criteria (including MTRs and Operating Characteristics) under appropriate Ambient Conditions and otherwise complies with this Agreement; (ii) prior to the Commercial Operation Date, establish the initial power curves of the Facility under various Ambient Conditions, verify the Facility Performance Model, and confirm satisfaction of the other requirements for Commercial Operation; and (iii) following the Commercial Operation Date, verify the relation between the Facility

Performance Model and those initial power curves, including whether the actual NEO for Ambient Conditions during such tests equals the Expected NEO within an applicable margin of error, assuming full Facility Availability.

b. Testing Plan

Resource Provider shall prepare and provide to T&D Operator a draft testing plan for the Performance Tests, including detailed test procedures and the methodology to meet the required testing, for T&D Operator's review no later than one hundred and eighty (180) Days prior to the Initial Synchronization Date. T&D Operator and Resource Provider shall mutually agree to any adjustments or additions to the draft testing plan for the Performance Tests taking into consideration Prudent Utility Practices and any applicable manufacturer's recommendations, and shall otherwise cooperate to finalize the testing plan for the Performance Tests within ninety (90) Days after T&D Operator receives the draft performance testing plan from Resource Provider (such finalized testing plan being the "**Testing Plan**"). T&D Operator's approval of the Testing Plan shall not make T&D Operator responsible in any way for any damage to the Facility resulting from the performance by Resource Provider of any Performance Tests in accordance with the Testing Plan.

i. Timing

ii. Prior to the Commercial Operation Date:

1) Resource Provider shall schedule and complete all required Performance Tests for the Facility. Resource Provider shall use commercially reasonable efforts to undertake such activities in sufficient time to achieve the Commercial Operation Date by the Guaranteed Commercial Operation Date, and T&D Operator will reasonably cooperate with Resource Provider to meet such deadline.

2) Resource Provider shall provide T&D Operator reasonable prior notice (and, in any event, at least ninety (90) Days prior to the Proposed Initial Synchronization Date) of Resource Provider's testing schedule to complete the Performance Tests and shall allow T&D Operator representatives to witness all Performance Tests. Resource Provider shall coordinate with T&D Operator to determine the desired start date for the Performance Tests and to ensure that the performance of the Performance Tests does not interfere with the Grid System. Resource Provider shall perform the Performance Tests under this Testing Protocol in accordance with the Testing Plan and shall demonstrate that the Facility meets the MTRs during such testing.

iii. After the Commercial Operation Date:

Once during each Agreement Year of the Supply Period, PREPA may request Resource Provider to perform Performance Tests in accordance with paragraph (a) of Section 6.9 (*Supply Period Performance Tests*) of the Agreement.

c. Testing of Interconnection Facilities

In respect of the commissioning and testing of the Interconnection Facilities:

i. T&D Operator shall test and commission the PREPA Interconnection Facilities in accordance with a separate testing and commissioning agreement to be entered into between T&D Operator and Resource Provider; and

ii. Resource Provider shall test and commission the Resource Provider Interconnection Facilities in accordance with this Testing Protocol.

d. Pre-Inspection Procedures

Prior to commencing any Performance Tests and prior to connection of the Facility to the Interconnection Point, Resource Provider shall provide to T&D Operator a pre-inspection checklist that includes certifies that Resource Provider shall comply with the requirements or protocols established by T&D Operator, including but not limited to the following (the "**Pre-Inspection Requirements**"):

i. A requirement for all personnel to wear personal protective equipment ("**PPE**") at all times during any testing or while on site at the Facility. PPE shall meet Institute of Electrical and Electronic Engineers (IEEE) requirements and Prudent Utility Practices, and the PPE requirements shall be based on the latest ARC flash study. Resource Provider shall calibrate and certify the PPE according to industry guideline every twelve (12) months.

ii. A requirement for Resource Provider to update the ARC flash calculation/study when any design modification or other changes are made that impact the ARC flash calculation. Resource Providers shall review and update the ARC flash study/calculation at least once every five (5) years.

iii. Verification that all protection equipment, controls, and relaying are loaded with proper settings.

iv. Verification of proper stenciling of equipment as compared to IFC schematics and wiring diagrams.

v. Verification of the removal of safety grounds prior to energization.

vi. Confirmation that Resource Provider has performed a safety walkdown and job brief.

e. Overview of Performance Tests

The Performance Tests include but are not limited to the following:

i. **Voltage and Frequency Ride-Through**

Resource Provider shall provide documentation (including the corresponding manufacture's official test reports per paragraph (b) of Section 6.9 (*Supply Period Performance Tests*) of the Agreement) from the solar PV modules, inverters and power conversion system (PCS) equipment manufacturers that demonstrates or certifies the solar PV modules, inverters and power conversion equipment's compliance with low voltage ride-through (LVRT), over voltage ride-through (OVRT), and frequency ride through (FRT) specifications of the MTRs and

consistent with the Operating Procedures set forth in Appendix M (*Operating Procedures*) of the Agreement. Resource Provider shall verify compliance with the low voltage ride-through curve and the over voltage ride-through curve described in the MTRs during the tests. The low voltage ride-through tests shall include the verification and compliance testing of the reactive current injection mode during a fault. Resource Provider shall verify the disconnection times according to the frequency thresholds defined in the MTRs during the frequency ride through tests. The power conversion system manufacturer shall perform and document voltage and frequency ride through testing on one power conversion system to be specifically installed at the Facility. The power conversion equipment manufacturer shall perform and document voltage and frequency ride through testing on one battery energy storage system inverter to be specifically installed at the Facility, if a battery energy storage system is used in tandem to comply with the MTR. The battery energy storage system power conversion equipment manufacturer and the PCS manufacturer will determine the parameters and assumptions for the manufacturer testing. The equipment manufacturers shall utilize loss assumptions consistent with the expected conditions at the Facility.

ii. **Voltage Regulation System (VRS) Tests**

1) Resource Provider shall test and verify that the Facility complies with the voltage regulation system (VRS) requirements in section 2 (*Voltage Regulation System (VRS)*) of the MTRs in Appendix L (*Minimum Technical Requirements*) of the Agreement.

2) Resource Provider shall test the steady-state voltage regulation accuracy of +/- 0.5% of the controlled voltage at the Interconnection Point at zero percent (0%) voltage droop. Resource Provider shall perform such tests in the Facility at ten percent (10%) of the maximum AC power capacity.

3) Resource Provider shall test the voltage regulation system time response in the Facility with an output power of the lower of one hundred percent (100%) and the maximum AC active power capacity. Resource Provider shall calibrate the voltage regulation system such that a change in reactive power will achieve ninety-five (95%) of its final value no later than one (1) second following a step change in voltage. For this test, the "response time" means the period between when the plant controller receives the reference voltage set point until the reactive power generated by the Facility at the Interconnection Point reaches ninety-five (95%) of its final value. The recommended method to test the time response of the Facility voltage regulation system is changing the reference voltage at the plant controller. Resource Provider shall perform the changes to the reference voltage at the following two levels of generation: high (>85% of the Contract Capacity measured at the Interconnection Point) and low (< 30% of the Contract Capacity measured at the Interconnection Point). The reference voltage changes tested shall include at least:

a) 1.05 pu to 0.95 pu

b) 0.95 pu to 1.05 pu

c) Neutral reactive power bus voltage (NBV) to NBV + (0.5% or 1%)

d) Neutral reactive power bus voltage (NBV) to NBV – (0.5% or 1%)

The "neutral reactive power bus voltage" or "NBV" means the voltage in the Interconnection Point when the Facility is connected to the grid, energized, but not generating reactive power. T&D Operator shall identify, in coordination with and subject to the approval of T&D Operator, the voltage for each of the two levels of generation described above.

T&D Operator shall perform the aforementioned voltage changes at least with the following voltage droops and taking into account the two generation levels (low and high): zero percent (0%), one percent (1%), two and one half percent (2.5%), five percent (5%), seven and one half percent (7.5%) and ten percent (10%).

4) The evaluation criteria for the voltage regulation system tests include:

a) voltage error less than +/- one half percent (0.5%) of the set point at the Interconnection Point for voltage drop of zero percent (0%);

b) voltage regulation system time response less or equal than one (1) second for all cases;

c) voltage overshoot lower than one percent (1%) of final voltage at the Interconnection Point for all the cases; and

d) voltage regulation system deadband does not exceed one tenth percent (0.1%).

5) Resource Provider shall present the voltage regulation system comparatives droops as:

a) a comparative graph of the Interconnection Point voltage for all the droop cases versus the same reference voltage change; and

b) a comparative graph of the reactive power response at the Interconnection Point for all the droop cases versus the same reference voltage change.

iii. **Reactive Power Capability & Minimum Power Factor Tests**

1) Resource Provider shall test and verify the Facility complies with the reactive power capability and minimum power factor requirements in Section 3 (*Reactive Power Capability and Minimum Power Factor Requirements*) of the MTRs in Appendix L (*Minimum Technical Requirements*) of the Agreement. Resource Provider shall perform such reactive power capability and minimum power factor requirement tests at a power output at or near one hundred percent (100%). Resource Provider shall test the power conversion system (PCS) and Facility reactive power capability. The tested reactive power capability of the power conversion system and Facility shall comply with the reactive power capability curve described and required in the Section 3 (*Reactive Power Capability and Minimum Power Factor Requirements*) of the MTRs in Appendix L (*Minimum Technical Requirements*) of the Agreement. The total power factor range shall be from 0.85 lagging to 0.85 leading at the Interconnection Point. The +/- 0.85 power factor range shall be dynamic and continuous at the Interconnection Point and throughout the voltage

regulation range. During the tests, Resource Provider shall configure the Facility to import or export the required reactive power per the reactive power capability curve in the MTRs. The active power output range of the Facility for this test shall cover five percent (5%) to one hundred percent (100%) of the maximum AC active power capacity.

2) If the battery energy storage system inverters also contribute to the reactive power of the Facility, Resource Provider shall perform tests that verify the energy storage system inverters provide reactive power support to the Facility without affecting the energy storage system use for frequency response and ramp rate control.

iv. **Frequency Response and Regulation Tests**

Resource Provider shall test and verify the Facility complies with the frequency response requirements in Section 6 (*Frequency Response/Regulation*) of the MTRs in Appendix L (*Minimum Technical Requirements*) of the Agreement and set forth below. Resource Provider shall demonstrate the capability of the Facility to comply with the MTR for frequency response and regulation.

1) Resource Provider shall evaluate the frequency response (FR) of the Facility at the Interconnection Point. Resource Provider shall perform parts of such frequency response tests at twenty percent (20%) output power. These tests shall include at least two frequency change rate profiles, one profile with a change rate of 10 Hz/min and the other of 1 Hz/min. Both profiles shall include a complete frequency scan that cover under and over frequencies from a minimum of fifty-nine and one half (59.5) Hz to a maximum of sixty and one half (60.5 Hz). These profiles could be obtained by simulating the grid frequency in the Facility's frequency control. The Facility's frequency control shall command the corresponding power output based in the configured frequency response droop and taking into account the frequency deadband. The frequency response of the Facility shall start after the dead band. The magnitude value of the frequency response shall be calculated based on the Operating Procedures set forth in Appendix M (*Operating Procedures*) of the Agreement. The value of the response shall not be based only in the difference between sixty (60) Hz and the frequency deviation, to avoid a jump or discontinuity in the response. If the full magnitude of the frequency response is required, the time response shall be less than one (1) second. The frequency response tests of the Facility shall include two plant active power output levels. The active power output levels shall be above ninety percent (90%) and below twenty percent (20%) of the maximum AC active power capacity. Resource Provider shall perform the tests in following stages: (1) ramp rate control activated; and (2) ramp rate control deactivated. Resource Provider shall demonstrate that the Facility can meet the frequency response requirement independently of the ramp rate control requirement (decoupled), and that energy storage system power utilization in response to frequency deviations does not degrade or diminish the capability for the Facility to meet the ramp rate requirement at any time. Resource provider shall also conduct a complete test for a two (2)-Day period where the frequency response of the Facility is evaluated due to actual grid frequency variations.

2) Resource Provider shall test whether the Facility can provide frequency response with the specified three percent (3%) to five percent (5%) droop range, and whether the control is configurable from three percent (3%) to five percent (5%) in steps of one-half percent (0.5%), over the operational range of ten percent (10%) to one hundred ten percent (110%) of the maximum AC active power capacity.

3) Resource Provider shall demonstrate the inverters and power conversion system are capable of assuming the responsibility of the upward frequency events during periods of time where the energy storage system utilized to comply with the frequency regulation requirement is completely charged (cannot absorb more active power).

4) Resource Provider shall demonstrate the energy storage system is capable of providing at least ten percent (10%) of the Facility maximum AC active power capacity for a period of nine (9) minutes and after the ninth (9th) minute the real power shall not decrease at a ramp rate higher than ten percent (10%) of the maximum AC active power capacity per minute. Also, Resource Provider shall test the energy recovery process for the frequency response implementation of the battery energy storage system.

v. **Ramp Rate Control Tests**

Resource Provider shall test, demonstrate the functional capability of the Facility to comply with the ramp rate control requirements in Section 7 (*Ramp Rate Control*) of the MTRs in Appendix L (*Minimum Technical Requirements*) of the Agreement and set forth below.

1) Resource Provider shall demonstrate the battery energy storage system capability to comply with the minimum nominal power output capacity of thirty percent (30%) of maximum AC active power capacity and for at least one (1) minute, a minimum effective power output capacity of forty-five percent (45%) of maximum AC active power capacity. The transition from effective power output capacity to nominal power output capacity shall not exceed the ramp rate requirement of ten percent (10%) per minute as stablished in the MTRs. Resource Provider shall utilize for such tests a battery energy storage system output power profile resulting from an irradiance reduction profile in the Facility from ninety percent (90%) to ten percent (10%) in two (2) minutes (forty percent (40%) per such two (2)-minute period). Resource Provider shall perform such part of the ramp rate control test with an output power of fifty percent (50%) of the maximum AC active power capacity.

2) Resource Provider shall demonstrate the Facility capability to comply with the ramp rate control requirement while it is connected to the grid. This period of testing shall be of four (4) Days if during this period of time at least five (5) ramp events result in a power drop greater than thirty percent (30%) of the maximum AC active power capacity in less than one (1) minute. During two (2) of these four (4)-Day test periods, Resource Provider shall enable the frequency response control to verify that the Facility can comply simultaneously with both requirements without any interference. The ramp rate control and the Frequency Response Control shall be decoupled, continuously in operation and the Facility shall be able

to comply simultaneously with both requirements. If during the four (4)-Day test period less than five (5) ramp events occur at the Facility, the test will be extended for the number of days necessary. If the five (5) ramp events do not occur but the evaluation demonstrates that the Facility is in compliance with the ramp rate control requirement presented in the MTRs during a period of ten (10) consecutive Days, then the Facility compliance with the ramp rate control requirement will be deemed as achieved. Resource Provider shall perform this part of the ramp rate control test with an output power of one hundred percent (100%), but a two (2) Days period of similar tests shall be performed with an output power of fifty percent (50%) the of the maximum AC active power capacity.

3) Resource Provider shall demonstrate the battery energy storage system compliance to the minimum storage capacity requirement for ramp rate control purposes presented in the MTRs of thirty percent (30%) of Contract Capacity for twenty-five (25) minutes. Simultaneously, Resource Provider shall also demonstrate the battery energy storage system satisfies the minimum storage capacity requirements for frequency regulation purposes of at least nine and one half (9.5) minutes of ten percent (10%) of Contract Capacity. Resource Provider shall perform part of the ramp rate control requirement test with output power less or equal one hundred percent (100%) of the maximum AC active power capacity.

vi. **Curtailment Test**

Resource Provider shall perform active power curtailment tests demonstrating the capability of the Facility to respond to curtailment signals from T&D Operator in compliance with the MTRs. The Facility plant controller shall accept external active power setpoints from T&D Operator. T&D Operator will use the following two (2) types of curtailment commands: direct active power set value (MW) and percentage (%) value. T&D Operator shall use the following curtailment percentage values at least (and the analog MW direct values): twenty percent (20%), forty percent (40%), sixty percent (60%) and eighty percent (80%). Resource Provider shall coordinate with T&D Operator for the performance of this test. Resource Provider shall perform this with output power less or equal to one hundred percent (100%) of the maximum AC active power capacity.

vii. **Auto-Curtailment Test**

Resource Provider shall submit a complete and detailed description of the auto-curtailment strategy to be implemented in the Facility to the T&D Operator for evaluation at least one hundred twenty (120) Days before the beginning of the test. Resource Provider shall test and verify the auto-curtailment strategy implemented in the Facility and, at a minimum, the conditions to apply auto-curtailment set forth in Section 8 (*Auto-Curtailment*) of the MTRs in Appendix L (*Minimum Technical Requirements*) of the Agreement. Resource Provider shall submit the test results documentation to T&D Operator for evaluation. Resource Provider shall perform the auto-curtailment tests in the Facility with output power of one hundred percent (100%) of the maximum AC active power capacity.

viii. **Power Quality Test**

Resource Provider shall test and analyze whether the power quality at the Interconnection Point complies with the requirements in Section 9 (*Power Quality Requirements*) of the MTRs in Appendix L (*Minimum Technical Requirements*) of the Agreement. At minimum, Resource Provider shall evaluate the following parameters at the Interconnection Point according to the applicable standards as specified in the MTRs: total harmonic distortion (voltage and current measurements for each phase), total demand distortion (current and voltage measurements for each phase), individual harmonic distortion (voltage and current measurements), individual demand distortion (voltage and current measurements), voltage flicker in the short term, voltage flicker in the long term, voltage and current unbalance (%). Resource Provider shall perform the power quality tests with an output power of one hundred percent (100%) of the maximum AC active power capacity.

ix. **Power Management Test**

Resource Provider shall test the communication technology and the corresponding control equipment to comply with the power management requirements (ramp rate limits, output limits, curtailment) set forth in Section 10 (*Power Management*) of the MTRs in Appendix L (*Minimum Technical Requirements*) of the Agreement. Resource Provider shall ensure all components and sub-components are operating in harmony. Resource Provider shall verify the communication system is sending and receiving data with T&D Operator ECC as intended. Resource Provider shall check baseline measurements (voltage, current, temperature, frequency, energy storage capacity, charge time, discharge time) and power management requirements. Resource Provider shall check for anomalies. Resource Provider shall also implement, verify and test the special protection schemes for compliance with the requirements set forth in Section 11 (*Special Protection Schemes*) of the MTRs in Appendix L (*Minimum Technical Requirements*) of the Agreement.

x. **Minimum Acceptance Capacity Test**

Resource Provider shall develop a test plan to confirm the Generating Capacity meets or exceeds at least ninety-five percent (95%) of the Maximum Dispatch Limit (i.e., the Minimum Acceptance Capacity). The test plan shall include the procedures to calculate and record the energy yield throughout the day for at least three (3) Days (i.e., seventy-two (72) hours) and describe how the Site conditions will be accounted for.

xi. **Power Curves**

Resource Provider shall develop a test plan to establish the initial power curves of the Facility under various Ambient Conditions and to verify the relation between the Facility Performance Model and those initial power curves during the Supply Period, including whether the actual NEO for Ambient Conditions during such

tests equals the Expected NEO within an applicable margin of error versus those initial power curves during the Supply Period, assuming full Facility Availability.

xii. **Internal Tests**

1) Resource Provider shall perform internal tests at the Facility with Resource Provider's technical integration team and in coordination with T&D Operator to verify the adequate performance of the Facility based on the design and the requirements in the MTRs in Appendix L (*Minimum Technical Requirements*) of the Agreement. These tests include equipment initial energization, the original equipment manufacturer onsite testing and commissioning of the Facility equipment (inverters, power conversion system, energy storage system, communication, protection, SCADA, etc.), protection system tests, internal and external communication tests, control system tests, SCADA system and signal verification tests, and the MTRs tests. The OEM tests shall include visual inspection, standard tests of the electrical infrastructure and inspection of inverters, power conversion system, switchgear, transformer, and SCADA. Resource Provider shall provide the corresponding documentation of the internal tests to T&D Operator.

2) Resource Provider shall test communications to the T&D Operator SCADA system and its corresponding signals and verify that each are working before the Initial Synchronization Date. Resource Provider shall install a DSM, commissioned and setup with all the required signals available before any internal test that require power output generation.

3) In addition, for the internal tests, Resource Provider shall develop a test plan with detailed procedures for the pre-commissioning, functional, energization and operational testing, which shall include the mechanical and electrical tests by NETA for the following non-exhaustive list of equipment:

   a) solar PV modules, power conversion system and solar tracker per OEM recommendations and checklists;

   b) DC Equipment (PV strings, DC cable, combiner boxes, recombiner boxes, battery banks, etc.): continuity, insulation and contact resistance (POS to NEG, POS/NEG to GND), IV curve testing, polarity, open circuit voltage, cell voltage, load test (as required);

   c) high voltage and medium voltage equipment (disconnect switches, circuit breakers, reclosers, switchgear, transformers, cable, etc.): insulation and contact resistant, continuity, very low frequency test, relaying, wiring, trip checks, turns ratio, voltage, phase rotation and operation;

   d) low voltage equipment (switchgear, distribution panels, switches, ATS, motors, batteries and chargers, controllers, transformers, control/power wires, etc.): insulation and contact resistant, continuity, very low frequency test, relaying, wiring, trip checks, turns ratio, voltage, winding resistance, full load current, settings, and operation; and

e) grounding systems (power conversion system, combiner boxes, solar tracker, substation, collector system): fall of potential, resistance, and continuity.

xiii. **Energy Storage System Fire and Safety Tests**

1) For Facilities where an energy storage system is used to comply with some of the MTRs in Appendix L (*Minimum Technical Requirements*) of the Agreement, Resource Provider shall test the battery energy storage system compliance to the fire and safety codes. Testing and certification at the equipment manufacturing facilities is required. Resource Provider shall provide site specific documentation if required by T&D Operator. If such tests cannot be done at the equipment manufacturing facilities, Resource Provider may need to field certify the battery energy storage system at the project site.

2) Resource Provider shall test the battery energy storage system to ensure proper functioning of the protection mechanisms, shutdown mechanisms, smoke detection, safety functions, annunciation, cyber security functions and fire prevention features, as required in the battery energy storage system testing protocol document.

3. Annual and Return-to-Service Tests

a. Objective

The objective of the annual tests is to verify, on an annual basis, the Facility's capability to comply with the MTRs. Resource Provider shall perform the tests within thirty (30) Days of the established annual testing date under the Agreement and provide a report to T&D Operator with the test results and reasonable supporting documentation within forty-five (45) Days of the conduct of the test.

The objective of the return-to-service tests is to ensure the proper functioning of the Facility after any repair or modification of the Facility that may affect its compliance with the MTRs or the Agreement. If Resource Provider repairs or modifies the Facility in any way that might affect its compliance with the MTRs or the Agreement, Resource Provider shall perform the appropriate annual tests as soon as the new equipment is installed or any repair/improvements are completed and prior to returning the Facility to service.

Resource Provider shall identify and analyze critical parameters over time to assess the system and equipment performance, degradation, and overall health of the Facility. If performance of the Facility deviates from acceptable norms or does not meet the Minimum Acceptance Capacity or Other Minimum Acceptance Criteria, prompt preventive and/or corrective actions shall be planned and conducted to repair or service the system, equipment, or structures and, where trend data shows, degrading performance or condition, Resource Provider will take actions to prevent failures that can potentially result in Non-Scheduled Outages or Non-Scheduled Deratings.

b. Pre-Inspection

Prior to commencement of the annual tests and any return to service tests, Resource Provider shall comply with the Pre-Inspection Requirements set out above in paragraph (d) of Section 2 (*Performance Tests*) of this Testing Protocol.

c. Overview of Annual and Return-to-Service Tests

Resource Provider shall perform the following tests:

i. **Voltage Regulation System (VRS) Tests**

Resource Provider shall test and verify the Facility for compliance with the VRS requirements in the MTRs in accordance with the protocol set out above in item (ii), paragraph (e) of Section 2 (*Performance Tests*) of this Testing Protocol.

ii. **Reactive Power Capability & Minimum Power Factor Tests**

Resource Provider shall test and verify the Facility for compliance with the Reactive Power Capability requirements in the MTRs in accordance with the protocol set out above in item (iii), paragraph (e) of Section 2 (*Performance Tests*) of this Testing Protocol. If the Facility does not reach the required active power output range for this test, Resource Provider shall repeat the test, and T&D Operator shall curtail the Facility output (without liability) to the active power tested.

iii. **Frequency Response and Regulation Tests**

Resource Provider shall test and verify the Facility for compliance with the frequency response and regulation requirements in the MTRs in accordance with the protocol set out above in item (iv), paragraph (e) of Section 2 (*Performance Tests*) of this Testing Protocol. Resource Provider shall demonstrate the capability of the Facility to comply with the MTRs for frequency response and regulation.

iv. **Ramp Rate Control Tests**

Resource Provider shall test and verify the Facility for compliance with the ramp rate control requirements set forth in the MTRs in accordance with the protocol set out above in item (v), paragraph (e) of Section 2 (*Performance Tests*) of this Testing Protocol. Resource Provider shall demonstrate the capability of the Facility to comply with the MTRs for ramp rate control.

v. **Power Quality Test**

Resource Provider shall test the power quality during this test period for compliance with the MTRs in accordance with the protocol set out above in item (ii), paragraph (viii) of Section 2 (*Performance Tests*) of this Testing Protocol.

vi. **Power and Energy Yield Degradation Test**

Resource Provider shall test or quantify the PV module degradation impact to the energy yield on an annual basis and communicate the findings to T&D Operator. Resource Provider shall ensure the energy yield for each Agreement Year, including degradation, meets the performance requirements set forth in the Agreement. Resource Provider shall also test the Generating Capacity and the Net Power Output to ensure each meet the requirements set forth in the Agreement for each Agreement Year and report the findings to T&D Operator.

vii. **Energy Storage System Capacity Test**

Resource Provider shall determine the energy storage system capacity annually and test it annually to ensure that it meets such annual energy storage system capacity with an adequate margin.

viii. **Energy Storage System Fire and Safety Tests**

Resource Provider shall test the energy storage system to ensure continuous functioning of the protection mechanisms, shutdown mechanisms, smoke detection, safety functions, annunciation, cyber security functions and fire prevention features, as required in the energy storage system Testing Protocol.

4. Factory Acceptance Tests

Resource Provider shall provide to T&D Operator the major equipment manufacturer's formal test result report and official documentation of the factory acceptance tests to demonstrate equipment performance, including the MTRs, tests required under the Agreement, design or type tests and factory routine tests. The major equipment includes but is not limited to solar PV modules, power conversion system, solar tracker, MV/LV cable, inverters, switchgear, transformers, circuit breakers, disconnect switches, energy storage system, reactive power compensation equipment.

Resource Provider may satisfy the requirement to provide design capability tests which comply with industry standards (IEEE 1547, IEEE P2800, UL 1741) by submitting a proper certification in accordance with paragraph (b) of Section 6.9 (*Supply Period Performance Tests*) of the Agreement. This is applicable to under- and over-voltage ride through, frequency response, anti-islanding, single-phasing, and three-phase testing. However, T&D Operator reserves the right to require Resource Provider to test on-site the anti-islanding, single-phasing, and three-phase trip capabilities of the Facility.

Resource Provider shall submit to T&D Operator the test results report and official documentation for the factory acceptance tests to T&D Operator at least ninety (90) Days prior to the Facility commissioning tests set forth above in paragraph (e) of Section 2 (*Performance Tests*) of this Testing Protocol.

T&D Operator reserves the right to witness virtually or in person the factory acceptance tests of any of the major equipment at the manufacturers' facilities. Resource Provider and T&D Operator shall coordinate the schedule to witness a factory acceptance test ahead of its execution. Resource Provider shall submit to T&D Operator the tentative dates for the factory acceptance tests at the start of the Project development.

APPENDIX O

TECHNICAL SPECIFICATIONS FOR THE DYNAMIC SYSTEM MONITOR

1. Introduction

The following specification defines the minimum requirements for an instrument used in the monitoring and registration of dynamic disturbances on electric power systems and the supervision of source performance according to Grid Codes.

2. Hardware

a. Inputs:

1. The equipment shall have at least 32 analog inputs with the capacity to increase them to a minimum of 96 inputs depending on the application required analog signals. The minimum resolution for the A/D converter shall be 16 bit. The sampling rate shall be programmable up to a minimum of 250 samples per cycle (15000 samples per second). The analog inputs shall permit at least the following types of signals:

   i. PT voltage (150 V rms minimum, Accuracy better or equal to 0.3%);

   ii. CT currents (5 A rms minimum, Accuracy better or equal to 0.3%);

   iii. DC voltages of at least 800 V (Accuracy better or equal to 0.3%);

   iv. Small Analog Signals (Accuracy better or equal to 0.3%);

      A. Current: 4 – 20 mA; and

      B. Voltage: 0 – 200 mV, 1V, 10 V;

2. The equipment shall have at least 16 digital inputs with the capacity to increase them to a minimum of 48 inputs depending on the application required digital signals. The minimum input voltage range of the digital inputs should be 0 – 150 V. The digital inputs should be included as a user defined software triggering input.

3. The equipment shall be able to record power system frequency with a resolution of at least 0.001Hz.

b. The equipment shall have a built-in micro-processing unit with color monitor, keyboard and mouse from which all commands, controls and setup parameters may be entered. All setup parameters shall be store in a non-volatile medium, to prevent loss of setup data if power is interrupted. This micro-processing unit shall be of industrial grade to insure long life in a typical substation or generation plant environment.

c. Memory and storage capacity:

The equipment shall have a nonvolatile solid state memory (ex. SSD, flash, *etc.*) with the required capacity to stores at least one (1) Year of continuous data based in typical recording periods and typical recording rates. Also, the memory shall have a minimum

storage capacity of 1,000 RMS trigger events and 1,000 Instantaneous trigger events based in typical recording rates and recording periods. Typical recording periods and recording rates are:

i. RMS Trigger Recording Function (Recording rate of 1 sample per cycle on all the signals)

A. Pre-Trigger: 60 seconds

B. Post –trigger: 300 seconds

ii. Instantaneous Values Trigger Recording Function (recording rate of 250 samples per cycle on all instantaneous signals)

A. Pre-Trigger: 1 second

B. Post-Trigger: 2 seconds

iii. Continuous Recording Function -The recording rate is one (1) sample per second on all the signals. This recording function is continuous, but saved in twenty-four (24) hour periods.

All the recording functions mentioned above shall work simultaneously. The equipment shall maintain the date and time in an internal battery-backed clock.

d. Communication:

The equipment shall have at least two Ethernet 10/100/1000 Mbps port (LAN interface, TCP/IP Protocol) for local and remote network communication.

e. Power Source:

The equipment shall have a redundant power supply. Two separate inputs (one AC and one DC) 100 – 240 VAC, 60 Hz and 100 – 150 DC. Some applications could require DC supply of 48 VDC + 10%, verify before the equipment acquisition.

f. Measurement accuracy:

1. Voltage measurement error shall be less than + 0.3% of reading.

2. Current measurement error shall be less than + 0.3% of reading.

3. Software

a. The software platform of the equipment shall be compatible with the latest version of Microsoft Windows operating system.

b. The equipment remote communication shall be thru TCP/IP network connectivity (LAN). The remote communication should permit at least the set up and data retrieval of the equipment. The equipment should have the capability to perform at least the following functions remotely:

1. Modification of the configuration;

2. Retrieval of captured events; and

3. Remote event triggering.

c. The equipment shall have the capacity of time synchronization with GPS system. A GPS receiver and GPS antenna shall be included.

d. Triggers:

1. The equipment shall support user defined programmable triggers. Triggering shall be initiated based upon primary quantities (voltage, current, and frequency), calculated quantities (watts, Var, power factor, apparent power, *etc.*), digital signals or small analog signals.

2. The trigger thresholds shall be based on limits, gradients, equations and status. Examples of trigger conditions that shall be available are:

i. Level threshold (high level, low level, in-band, out-band, *etc.*);

ii. Rate of change (ex. frequency variation (df/dt));

iii. Manual input (keyboard trigger);

iv. Request from remote computer; and

v. Event input status (digital signal status).

3. A re-trigger function shall be available which permits the equipment to generate a new event register if a second disturbance is detected while the recording of the first disturbance is still in process. This process should continue if more disturbances occur in the new registers.

e. The acquisition software shall include a user defined pre-trigger interval option as well as a user defined post trigger interval for the information captured in the case of triggered events. The minimum range of the pre-trigger interval should be from 0 to 60 seconds and the minimum range for the post trigger interval should be 0 to 300 seconds. In addition, the date, time, and type of trigger that initiated the event shall be included as part of the disturbance record.

f. The acquisition software shall have the following capabilities:

1. Time displays (ex. Oscilloscope);

2. Digital Status display (ex. High/Low, 1/0);

3. Multiple displays and multiple signals in displays in real time and off-line;

4. Display resizing;

5. Programmable conversion of range and units of signals; and

6. Independent range for signals.

g. The acquired data shall be available in a format directly compatible with Siemens Power Technologies International (Siemens PTI) PSS/E plotting software.

h. The software shall support data export in ASCII, CSV and PSS/E formats.

i. The software shall support image export in JPG, BMP or WMF formats.

j. The software shall have the following analysis capabilities for the data and signals (primary and calculated):

1. Fast Fourier Transform (FFT);

2. Peak analysis;

3. Filter functions; and

4. Series and scalar mathematic (square root, inversion, square, sum, gain, offset, *etc.*).

k. The software shall perform the following power engineering calculations (on-line and off-line) and measurements:

1. Three phase and single-phase power (real, reactive, apparent);

2. Power factor;

3. Power angle;

4. rms line and phase voltage;

5. rms current;

6. Power system frequency;

7. DC voltage and currents; and

8. AC voltage and currents.

4. General

a. Environmental Conditions:

1. Operating temperature: 0° C to 50° C; and

2. Operating humidity: 95%, non-condensing.

b. Equipment cabinet and corresponding accessories:

1. The cabinet should have test switches at the front of the panel for the three phase voltages and currents. The test switches should have a minimum rating of 600 V

rms and 30 A rms; semi flush mounted, rear connected, equal or similar to ABB FT-1, style no. 129A514G01. The test switches should be assembled horizontally in groups of three FT-1 switches per row, mounted on a 19 inches wide, three-rack unit (3RU) high panel suitable for rack mounting, similar to ABB FR3J014014014.

2. The signals (analog and digital) should terminate on terminal blocks inside the cabinet, before the connection to the Dynamic System Monitor. The AC, DC, digital, exciter voltage and exciter current signals should be in different terminal blocks. The terminal blocks should have a minimum rating of 600 V rms and 30 A rms (except the exciter voltages signals, see below). Examples of terminal blocks are: GE CR151B2 and Marathon 1512 STD. The current signals should terminate on shorting type heavy duty terminal blocks equal or similar to Marathon, catalog number 1506SC. The terminal blocks used for the excitation voltage of the generators must have a nominal voltage capacity greater than 800 V DC. A switch or breaker for isolation purposes is also required for the excitation voltage and current signals.

c. Documentation:

1. The equipment shall include a documentation package that contains the user, operation and maintenance manuals and the mechanical and electrical equipment drawings. The documentation should be in hard copy and in digital format.

2. The equipment documentation shall include a copy of the software.

d. Spare parts recommended by the equipment manufacturer shall be included in the dynamic system monitor purchase order.

e. Warranty:

1. The equipment warranty shall include part and service for a period not less than sixty (60) Months from the delivery day.

2. Equipment Training, Installation Support and Commissioning:

i. An on-site equipment operation and configuration training should be included; and

ii. The dynamic system monitor manufacturer shall perform the equipment commissioning and offer installation support.

APPENDIX P

TECHNICAL REQUIREMENTS FOR OPERATION, PROTECTION, & CONTROL

1. Resource Provider shall provide general protection practices, which comply with PREPA's written protection system practices and DCDs, in all the electrical equipment related to the Interconnection Facilities according to the standards and PREPA requirements in order to ensure personnel safety and secure operation and interconnection with PREPA's systems. Resource Provider has responsibility for the design, accurate relay settings (in accordance with the Approved Design) and testing of the protection that shall contain the evaluated Resource Provider Interconnection Facilities' settings. PREPA will evaluate and approve only the protection design, settings and tests of the Resource Provider Interconnection Facilities related to PREPA's system stability, security and optimal performance. Those protection designs, settings and tests of the Resource Provider Interconnection Facilities not related to PREPA's system stability, security and optimal performance will not be evaluated by PREPA.

2. As further defined in Article 3 (*Pre-Operation Period*) and Appendix I (*Interconnection Description and Specifications*), Resource Provider shall have responsibility for any protection related equipment, relays, scheme design, coordination and short circuit studies, and relay settings of all the protection equipment within PREPA's installation and remote terminals necessary to safely synchronize the Interconnection Facilities according to the latest technology and standards. For the avoidance of doubt, this includes the protection from (a) the PREPA Interconnection Facilities breaker to the Resource Provider Interconnection Facilities and (b) the differential protection relay from the Resource Provider Interconnection Facilities to the PREPA Interconnection Facilities.

3. Resource Provider shall submit a complete Resource Provider Interconnection Facilities protection report with all relay settings, including all calculations and considerations for the relay settings in addition to coordination and short circuit studies. In addition to the foregoing, the report shall also provide, including but not limited to, the following:

   a. The approved Resource Provider Interconnection Facilities design single line drawings shall have all the equipment information and all the relay's input and output descriptions;

   b. The Resource Provider Interconnection Facilities relay settings shall include the logic, inputs, and outputs according to the Approved Design;

   c. The backup overcurrent protection units of the Resource Provider Interconnection Facilities relay shall be set so that PREPA does not provide short circuit current for more than one second;

   d. The transformer from the Resource Provider Interconnection Facilities to PREPA shall have Delta – WYE configuration to avoid zero sequence current contribution from the Facility during faults at the electrical system;

   e. The Resource Provider Interconnection Facilities transformer protection shall be set so that the Resource Provider Interconnection Facilities does not provide short circuit current to PREPA or disconnects instantly;

   f. The Resource Provider Interconnection Facilities transformer protection shall provide an overvoltage protection unit on the delta side of the transformer to disconnect the Resource

Provider Interconnection Facilities during ground faults on the delta side of the transformer; and

g. Resource Provider shall provide all the equipment data of the Resource Provider Interconnection Facilities for PREPA's protection studies such as capacity, transformer and line impedances, current and voltage transformer ratios and information and short circuit duty, among others.

For the avoidance of doubt, PREPA does not assume, calculate or interpret any required item from manuals, graphs or relay curves, and Resource Provider shall ensure that it includes all the required data in the report upon first submittal.

APPENDIX Q

PERFORMANCE GUARANTEE

Resource Provider hereby guarantees to PREPA that, for any two (2) consecutive Agreement Years (each, a "**Rolling Period**"), the Facility will make available at the Interconnection Point no less than ninety percent (90%) of the sum of the P50 Energy Yield applicable to each Agreement Year in such Rolling Period. If, for any Rolling Period, (i) the sum of (A) the aggregate Net Electrical Output for such Rolling Period *plus* (B) the aggregate quantity of energy (if any) by which the Expected NEO applicable to each Time Interval during such Rolling Period exceeds the Net Electrical Output during such interval as a result of a PREPA Risk Event or Force Majeure affecting Resource Provider, falls below (ii) ninety percent (90%) of the sum of the P50 Energy Yield applicable to each Agreement Year in such Rolling Period, then Resource Provider shall grant PREPA a credit (the "**Shortfall Credit**") determined in accordance with the following formula:

$$SC = (RER - BR) \times EQS$$

where:

SC	=	Shortfall Credit, expressed in $;
RER	=	replacement energy rate of $0.170/kWh;
BR	=	Base Rate, expressed in $/kWh; and
EQS	=	the energy quantity shortfall equal to the difference between (i) ninety percent (90%) of the sum of the P50 Energy Yield applicable to each Agreement Year in the relevant Rolling Period and (ii) the sum of (A) the aggregate Net Electrical Output for such Rolling Period *plus* (B) the aggregate quantity of energy (if any) by which the Expected NEO applicable to each Time Interval during such Rolling Period exceeds the Net Electrical Output during such interval as a result of a PREPA Risk Event or Force Majeure affecting Resource Provider, expressed in kWh.

PREPA shall have the right to use the Shortfall Credit to offset its payment obligations hereunder to Resource Provider beginning with the first invoice of the subsequent Agreement Year, and continuing until PREPA has received full value for such Shortfall Credit. In the event that any such unapplied Shortfall Credit exists as of the end of the Supply Period, Resource Provider shall pay PREPA an amount equal to such unapplied credit no later than ninety (90) Days after the Termination Date.

APPENDIX R

FORM OF SWORN STATEMENT

SWORN STATEMENT

Comes now, CS-UR Juncos PV LLC, organized and existing under the laws of Puerto Rico, with employer identification number 468734, represented in this act by Mr. Gerardo Adame Álvarez, of legal age, married, and resident in Ciudad de México, México, and under the most Solemn oath declares the following:

1. That my name and other personal circumstances are the aforementioned.

2. That I hold the position of Authorized Representative in the aforementioned company.

3. That the undersigned or CS-UR Juncos PV LLC, its president, vice-president, directors, executive director, members of its board of directors, board of directors, nor any of its officials or person performing equivalent functions for the CS-UR Juncos PV LLC; or its subsidiaries or alter egos:

   a. Have not pled guilty to, or have not been convicted of, to any of the crimes enumerated in the Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico or any of the crimes included in Act 2-2018.

   b. Have not pled guilty or have not been convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves the misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.

4. The undersigned expressly recognizes that the conviction in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves the misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico will result in automatic termination of any contract in the Government of Puerto Rico.

5. That this statement complies with Act 8-2017, as amended, and Act 2-2018.

IN WITNESS WHEREOF, I affirm and sign the herein document in _____, this _____ day of _____, 20_____.

_____

Representative's Signature

Affidavit No. _____

Duly sworn and subscribed to before me by _____, whose personal circumstances are the above mentioned and who to me is personally known, or have identified by means of _____, in _____, this _____ day of _____, 20___.

_____

Notary Public

_____

Seal

APPENDIX S

FORM OF FOMB CERTIFICATION

CONTRACTOR CERTIFICATION REQUIREMENT

Resource Provider shall provide the following certification to FOMB and the Commonwealth's Contracting Government Entity, signed by its Chief Executive Officer (or equivalent highest rank officer):

Unless the context otherwise requires, capitalized terms have the meanings defined in the Power Purchase and Operating Agreement dated [•] (the "**Agreement**"). For purposes of this certification, (i) the term "Agreement" is inclusive of any amendments, modifications or extensions, (ii) the "owner" shall mean all Persons with an ownership or membership interest, as the case may be, equal to or greater than ten percent (10%) in the Resource Provider; and (iii) the term "principals" shall mean any Person that has full authority to act on behalf of Resource Provider.

1. Resource Provider's subcontractor(s) in connection with the Agreement (including any amendments, modifications or extensions) is (are) the following:

   (Name of individual or firm, including names of principals and owners of the Resource Provider)

   (Principal terms and conditions of the contractual relation and role of the subcontractor)

   (Amount of proposed contract payable to each subcontractor)

2. Neither Resource Provider nor any of its owners (including any Person or entity with more than a ten percent (10%) ownership interest in Resource Provider), partners, directors, officials or employees, has agreed to share or give a percentage of Resource Provider's compensation under the Agreement to, or otherwise compensate, any third party, whether directly or indirectly, in connection with the procurement, negotiation, execution or performance of the contract, except as follows:

   (Name of individual or firm, including names of principals and owners of the Resource Provider)

   (Principal terms and conditions of the compensation sharing arrangement and consideration for such benefit)

3. To the best knowledge of the signatory (after due investigation), no Person has unduly intervened in the procurement, negotiation or execution of the contract, for its own benefit or that of a third Person, in contravention of Applicable Law.

4. To the best knowledge of the signatory (after due investigation), no Person has: (i) offered, paid, or promised to pay money to; (ii) offered, given or promised to give anything of value to; or (iii) otherwise influenced any public official or employee with the purpose of securing any advantages, privileges or favors for the benefit of such Person in connection with the Agreement (such as the execution of a subcontract with Resource Provider, beneficial treatment under the contract, or the written or unwritten promise of a gift, favor, or other monetary or non-monetary benefit).

5. Neither Resource Provider, nor any of its owners, partners, directors, officials or employees or, to the best of its knowledge (after due investigation), its representatives or sub-contractors, has required, directly or indirectly, from third Persons to take any action with the purpose of influencing any public official or employee in connection with the procurement, negotiation or execution of the contract, in contravention of Applicable Law.

6. Any incorrect, incomplete or false statement made by Resource Provider's representative as part of this certification shall cause the nullity of the proposed contract and Resource Provider must reimburse immediately to the Commonwealth any amounts, payments or benefits received from the Commonwealth under the Agreement.

The above certifications are hereby signed under penalty of perjury by the Chief Executive Officer (or equivalent highest rank officer) in the following form:

"I hereby certify under penalty of perjury that the foregoing is complete, true and correct."

By:
Date:
Signature:

APPENDIX T

FORM OF CONDITIONS PRECEDENT CERTIFICATE

CONDITIONS PRECEDENT CERTIFICATE

Date: [•]

Agreement: [•] [NTD: Insert contract number and title.]

From: Puerto Rico Electric Power Authority ("**PREPA**")

To: CS-UR Juncos PV LLC ("**Resource Provider**")

We refer to the Power Purchase and Operating Agreement dated [•] between PREPA and Resource Provider (the "**PPOA**"). Unless the context otherwise requires, capitalized terms used in this Condition Precedent Certificate shall have the meanings ascribed to them in the PPOA.

Resource Provider hereby certifies and confirms to PREPA that Resource Provider has satisfied all of its Conditions Precedent under the PPOA, including mutual conditions. By signature below, PREPA likewise certifies and confirms to Resource Provider that PREPA has satisfied all of its Conditions Precedent under the PPOA, including mutual conditions.

We hereby certify that the Closing Date occurred on [•].

Very truly yours,

CS-UR Juncos PV LLC
as Resource Provider

_____
[•]

Acknowledged and agreed,

Puerto Rico Electric Power Authority
as PREPA

_____
[•]

APPENDIX U

FORM OF CONSTRUCTION START DATE CERTIFICATE

CONSTRUCTION START DATE CERTIFICATE

Date: [●]

From: CS-UR Juncos PV LLC ("**Resource Provider**")

To: Puerto Rico Electric Power Authority ("**PREPA**")

We refer to the Power Purchase and Operating Agreement between PREPA and Resource Provider dated [●] (the "**PPOA**"). Unless the context otherwise requires, capitalized terms used in this Construction Start Date Certificate shall have the meanings ascribed to them in the PPOA.

We hereby certify that Resource Provider has:

a. obtained all Permits, authorizations and real property rights needed to start construction of the Facility;

b. secured the necessary Equity (which Shareholders have contributed) and financing (if applicable) for the construction of the Facility and payment for the PREPA Interconnection Facilities Works under the Interconnection Agreement (including the execution of documents between Resource Provider and the Project Lenders that include binding commitments which, together with Equity, provide for one hundred percent (100%) of the total capital cost of the Facility and payment for the PREPA Interconnection Facilities Works under the Interconnection Agreement, other than the amount to be funded by Equity) and satisfied all conditions associated with, and made, the initial draw of funds for such construction under the Financing Documents with the Project Lenders, except to the extent that the capital has not yet been expended and such use constitutes a condition to the initial draw;

c. entered into the Facility Construction Contract and any other agreements necessary to make the Product available to PREPA in accordance with the PPOA;

d. received PREPA's confirmation of the Approved Design;

e. maintains the Performance Security required by the PPOA in full force and effect; and

f. given its primary contractor(s) under the Facility Construction Contract a full, unconditional notice to proceed with construction of the Facility.

The Construction Start Date occurred on [•].

Very truly yours,

CS-UR Juncos PV LLC
as Resource Provider

_____
[•]

Acknowledged and agreed,

Puerto Rico Electric Power Authority
as PREPA

_____
[•]

APPENDIX V

FORM OF COMMERCIAL OPERATION DATE CERTIFICATE

COMMERCIAL OPERATION DATE CERTIFICATE

Date: [•]

From: CS-UR Juncos PV LLC ("**Resource Provider**")

To: Puerto Rico Electric Power Authority ("**PREPA**")

We refer to the Power Purchase and Operating Agreement between PREPA and Resource Provider dated [•] (the "**PPOA**"). Unless the context otherwise requires, capitalized terms used in this certificate shall have the meanings ascribed to them in the PPOA.

We hereby certify that:

a. as demonstrated by the Initial Performances Tests, (i) Resource Provider has completed the installation, testing and commissioning of the Facility, (ii) the Facility can make available a Generating Capacity (as adjusted for Ambient Conditions at the time of testing in accordance with the Testing Protocol and without exceeding the limits of the Approved Design) that meets or exceeds the Maximum Dispatch Limit (or, to the extent that the Maximum Dispatch Limit exceeds such Generating Capacity, (1) Resource Provider has credited PREPA for all Liquidated Damages required by the PPOA in respect thereof, and (2) such Generating Capacity meets or exceeds the Minimum Acceptance Capacity) and satisfies the Other Minimum Acceptance Criteria, and (iii) the Facility can make available Net Electrical Output that corresponds to such Generating Capacity at the Interconnection Point on a continuous basis, in each case, in accordance with Prudent Utility Practices and the PPOA;

b. Resource Provider has obtained, and maintains in force, all material Permits required for the operation of the Facility; and

c. the Facility complies in all material respects with Applicable Law.

The Commercial Operation Date occurred on [•].

Very truly yours,

CS-UR Juncos PV LLC
as Resource Provider

_____
[•]

Acknowledged and agreed,

Puerto Rico Electric Power Authority
as PREPA

_____
[•]

APPENDIX W

FORM OF PERFORMANCE SECURITY

IRREVOCABLE STANDBY LETTER OF CREDIT

[Bank's Name, and Address of Issuing Branch or Office]

Beneficiary: PUERTO RICO ELECTRIC POWER AUTHORITY **Reference No.: [•]**
Address: **[•]**
Attn:**[•]**

Date of Issuance: [•]

[*PREPA-CS-UR Juncos PV LLC Power Purchase and Operating Agreement*] – Performance Security

No. [•]

We understand that CS-UR Juncos PV LLC (the "***Applicant***") has entered into a contract with you, Beneficiary, dated **[•]** (as amended, the "***Agreement***"), which requires a Performance Security in the form and amount of this irrevocable standby letter of credit ("***Letter of Credit***").

At the request of the Applicant, we **[*name of Bank*],** hereby issue this Letter of Credit and irrevocably undertake to pay you any sum or sums not exceeding in total an amount of **[•]** United States Dollars (USD **[•]**) in each case upon receipt by us of your first demand in writing at the Place of Presentation listed below in person, by registered or certified mail or by international overnight courier service, substantially in the form attached as Annex A hereto (signed by your authorized representative and appropriately completed) ("***Demand***"), without your needing to prove or to show grounds for your Demand or the sum specified therein. We shall remit all payment(s) under this Letter of Credit into a bank account of your choice and discretion as specified in your Demand. You may make one or more Demands under this Letter of Credit. Partial drawings are permitted.

Any Demand made by Beneficiary in accordance herewith shall be conclusive evidence that the sum stated in such Demand is properly due and payable to Beneficiary under this Letter of Credit. We shall have no right and shall not be under any duty or responsibility to enquire into the reason or circumstances of any Demand made by Beneficiary or the respective rights and/or obligations and/or liabilities of Beneficiary and the Applicant under the Agreement. Any discrepancy between the explicit terms hereof and the Rules (defined below) shall be read in favor of the terms set forth in this Letter of Credit.

Place of Presentation: [*insert address of Bank branch where Beneficiary presents a Demand*].

We shall, within five (5) business days after receipt of any Demand served from time to time by Beneficiary, pay to Beneficiary in immediately available funds the lesser of: (a) the amount specified in the Demand; and (b) the then applicable amount remaining on the Letter of Credit. If a Demand made by Beneficiary hereunder does not, in any instance, conform to the terms and conditions of this Letter of Credit, then we shall give Beneficiary, within two (2) business days after receipt of such Demand, notice that such Demand was not effected in accordance with the terms and conditions of this Letter of Credit, stating the reason therefore. Upon being notified that a Demand was not made in conformity with this Letter of Credit, Beneficiary may attempt to correct such non-conforming Demand. Our obligations under this Letter of Credit are primary and not by way of surety or guarantee.

[This Letter of Credit shall enter into force and effect upon expiry of Performance Security No. [•], dated [•] and issued by [•].] [**NTD**: *Insert this language if this is a replacement Letter of Credit.*]

This Letter of Credit shall expire on **[*date*]** but such expiration date shall be automatically extended for a period of one (1) year commencing on such expiration date ("***Expiry Date***"), and on each successive expiration date thereafter, unless at least one hundred twenty (120) calendar days before the then current Expiry Date we notify both Beneficiary and Applicant that we have decided not to extend this Letter of Credit beyond the then current Expiry Date. Any such notice shall be delivered by registered or certified mail, or by FedEx, both to:

Beneficiary at:

[•]

And to Applicant at:

[•]

In the event Beneficiary and Applicant are so notified by us pursuant to the immediately preceding sentence, Beneficiary may draw any amount or the entire amount available under this Letter of Credit by Beneficiary's presentment, at the Place of Presentation, of a drawing certificate duly signed in substantially the form of Annex A attached hereto appropriately completed. In no event shall the Expiry Date of this Letter of Credit be subject to automatic extension beyond sixty (60) calendar days after the expiration of the Agreement term, and any pending automatic one-year extension shall be ineffective beyond such date. The Expiry Date does not affect our liability to make payment of any demand received prior to the Expiry Date.

This Letter of Credit is subject to ICC International Standby Practices 1998 (ISP 98), International Chamber of Commerce Publication No. 590 (the "***Rules***"). For matters not addressed by the Rules, the laws of the Commonwealth of Puerto Rico shall govern this Letter of Credit and the parties shall construe this Letter of Credit in accordance with such laws. In the event of a conflict between the terms of this Letter of Credit and the Rules, ICC Publication No. 758, the terms of this Letter of Credit shall prevail.

The courts of the United States Federal Courts in the Commonwealth of Puerto Rico shall have exclusive jurisdiction in respect of all disputes arising out of this Letter of Credit (including, without limitation, the enforceability of this Letter of Credit).

_____

_____

_____

By:
Authorized Signatory

ANNEX A - FORM OF DRAWING CERTIFICATE

[*Letterhead of Beneficiary*]

[*Name of Issuing Bank*]

Date: [•]

[*Insert Work Description*] – Performance Security No. [•]

We refer to the above-captioned irrevocable standby letter of credit, with reference number **[•]** (**"*Letter of Credit*"**). Unless the context otherwise requires, capitalized terms used herein shall have the meanings ascribed to them in the Letter of Credit or the Agreement. We hereby inform you that:

1. a Construction Start Termination Event, a COD Termination Event, or a Default (as defined in the Agreement) by Applicant or the owing by Applicant to Beneficiary has occurred under the Agreement for penalties or any other liabilities, damages, losses, costs or expenses arising out of or relating to a breach of any obligation under the Agreement by Applicant, such as Default or otherwise, or the Agreement provides that Beneficiary may draw on the Letter of Credit, entitling us to call upon the Letter of Credit; or

2. applicant owes Beneficiary Liquidated Damages under and in accordance with the Agreement; or

3. you no longer meet the requirements of a Qualified Bank (as defined below) and twenty-one (21) calendar days or more have elapsed since the date on which you no longer met such requirements, and the Applicant has not delivered to Beneficiary a replacement letter of credit that is substantially identical to the Letter of Credit, meeting the requirements of the Agreement. "Qualified Bank" means a national bank, national association, commercial bank or other financial institution registered in the United States, having a branch located within Puerto Rico or the contiguous United States, and otherwise acceptable to Beneficiary that has a long-term issuer rating of at least (i) if headquartered within Puerto Rico, then "B+" by Standard & Poor's Ratings Services, "B1" by Moody's Investors Services Inc., or "B+" by Fitch Ratings Inc. or (ii) if headquartered outside of Puerto Rico, then "A-" by Standard & Poor's Ratings Services, "A3" by Moody's Investors Services Inc., or "A-" by Fitch Ratings Inc., or in each case if the relevant rating agencies cease to engage in business or rate the obligations in question, then an equivalent rating from another internationally recognized rating agency selected by Applicant with the written consent of Beneficiary; provided that, if such financial institution's ratings satisfy such minimum ratings, no other credit rating agency shall have placed such financial institution on credit watch with negative implications; or

4. twenty-one (21) or less calendar days remain before the current Expiry Date, the Applicant's obligation to maintain the Letter of Credit under the Agreement extends beyond such Expiry Date, and the Applicant has not delivered to Beneficiary a replacement Letter of Credit substantially identical to the Letter of Credit and meeting the requirements of the Agreement.

This letter serves as our demand for payment under the Letter of Credit. We request that you immediately pay the sum of **[•]** into the bank account below:

Account Name: **[•]**

Account Number: **[•]**

Bank Name: [•]

Bank Address: [•]

Swift Code: [•]

Yours very truly,

[***The Puerto Rico Electric Power Authority***]

_____

By:
Authorized Signatory

APPENDIX X

FORM OF DIRECT AGREEMENT

DIRECT AGREEMENT

THIS DIRECT AGREEMENT ("**Direct Agreement**") dated [•], is entered into among: (i) the Puerto Rico Electric Power Authority, a public corporation and governmental instrumentality of the Commonwealth of Puerto Rico, created by an Act of 23 May 1941, No. 83, as amended (the "**Consenting Party**"), (ii) [•] (together with its successors, designees and permitted assigns in such capacity, the "**Administrative Agent**") and (iii) CS-UR Juncos PV LLC, a limited liability company organized and existing under the laws of Puerto Rico (the "**Assignor**"). All capitalized terms used herein and not otherwise defined in this Direct Agreement shall have the respective meanings set forth in the Assigned Agreement (as defined below). The principles of interpretation and construction set forth in the Assigned Agreement shall apply to, and are hereby incorporated by reference as if fully set out in, this Direct Agreement, *mutatis mutandis* and as if any references to "this Agreement" and "Party" in such provisions were references to, respectively, "this Direct Agreement" and "the parties hereto".

RECITALS

WHEREAS:

(A) the Assignor (as seller) and Consenting Party (as buyer) have entered into that certain Power Purchase and Operating Agreement, dated as of [•] (as amended, restated or supplemented, the "**Assigned Agreement**"), pursuant to which the Assignor will develop a 100 MW Facility at the Site, (ii) interconnect the Facility with the Grid System, and (iii) sell the Net Electrical Output of the Facility exclusively to the Consenting Party, and the Consenting Party will purchase energy from the Facility built by the Assignor;

(B) Pursuant to Section 19.3 (*Resource Provider's Right to Assign*) of the Assigned Agreement, the Consenting Party has agreed to use commercially reasonable efforts to cooperate with any financing efforts of the Assignor, and the Assignor may assign its rights to payment under the Assigned Agreement to Project Lenders as security for its obligations to any such lender in connection with any financing of the development and construction of the Facility;

(C) [The Assignor has entered into that certain [Credit Agreement], dated as of [•] (as amended, restated or supplemented, the "Credit Agreement"), among Project Lenders from time to time party thereto (together with the Administrative Agent, each, a "**Secured Party**", and, collectively, the "**Secured Parties**") and the Administrative Agent, pursuant to which such Project Lenders will make loans to the Assignor to, among other things, finance the construction of the Facility; and

(D) The Assignor has entered into that certain Security Agreement, dated as of [•] (as amended, restated or supplemented, the "**Security Agreement**"), among the Assignor, the other subsidiary guarantors from time to time party thereto and the Administrative Agent, pursuant to which each of the Assignor and such subsidiary guarantors have granted to the Administrative Agent, for the ratable benefit of the Secured Parties, a security interest in certain property as collateral security for the prompt and complete payment and performance when due of such entities' obligations under the Credit Agreement.]

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. NOTICE OF ASSIGNMENT

The Assignor hereby gives notice to the Consenting Party that pursuant to the Security Agreement, the Assignor has pledged and assigned to the Administrative Agent, for the benefit of the Secured Parties, and granted to the Administrative Agent a security interest in, all of the Assignor's right, title and interest in, to and under the Assigned Agreement pursuant to the Security Agreement (the "**Assigned Interest**"), as collateral security for the obligations of the Assignor under the Credit Agreement.

2. PAYMENTS UNDER THE ASSIGNED AGREEMENT

2.1 Billing Arrangements

The Consenting Party agrees that, unless and until it has been notified in writing by the Administrative Agent that the Security Agreement has been terminated, the Consenting Party will pay all amounts payable by it under the Assigned Agreement directly to the Assignor at such account as may be specified in a written notice delivered by the Administrative Agent and the Assignor to the Consenting Party. The Assignor authorizes and acknowledges the foregoing and agrees that any payment made consistent with this Section 2.1 shall be treated for all purposes as a payment made directly to the Assignor under the terms of the Assigned Agreement.

2.2 No Set-Off Except as Provided Under Assigned Agreement

The Consenting Party agrees that in making payments in respect of the Assigned Agreement, it will not offset any amounts owed to it by the Assignor except as provided under the Assigned Agreement.

3. RIGHTS OF ADMINISTRATIVE AGENT

3.1 Exercise of the Assignor's Rights and Remedies

If the Administrative Agent provides written notice to the Consenting Party that an event of default has occurred under the Credit Agreement and that the Administrative Agent desires to exercise its rights and remedies pursuant to the Security Agreement, the Administrative Agent or any Substitute Provider (as defined below) shall be entitled to exercise any and all rights of the Assignor under the Assigned Agreement in accordance with the terms of this Direct Agreement and the Assigned Agreement. The Consenting Party agrees to accept such exercise by the Administrative Agent or any Substitute Provider and continue its performance under the Assigned Agreement in accordance with the terms thereof.

3.2 Right to Cure

Upon the occurrence of an event of default by the Assignor under the Assigned Agreement, or upon the occurrence or non-occurrence of any other event or condition which would enable the Consenting Party to terminate its obligations under the Assigned Agreement (herein called a "**default**"), the Consenting Party will not terminate its obligations under the Assigned Agreement until it first gives to the Administrative Agent (i) the written notice required to be given to Assignor by the Assigned Agreement specifying the nature of the default giving rise to such right (and in the

case of a payment default, specifying the amount thereof); and (ii) the opportunity to cure such default for a period of (A) thirty (30) days, in the case of a payment default, and (B) ninety (90) days in the case of a non-payment default, provided that PREPA may agree, acting reasonably, to extend such ninety (90) day cure period if the Administrative Agent has commenced and is diligently pursuing appropriate action to cure such default and continues to perform all other obligations under the Assigned Agreement (unless performed by the Assignor). The Lenders' cure period set out in this Section 3.2 may be coincident, in whole or in part, with the applicable cure period under the Assigned Agreement, with such cure period to commence on the date that the Consenting Party provides notice of the default to the Administrative Agent in accordance with this Section 3.2.

3.3 No Liability

Except during any period in which the Administrative Agent or any Secured Party (or any of their respective designees or assignees) constitutes a Substitute Provider, the Consenting Party acknowledges and agrees that neither the Administrative Agent nor any Secured Party (or any of their respective designees or assignees) shall have any liability or obligation under the Assigned Agreement as a result of this Direct Agreement except to the extent of their respective interest in the Assigned Agreement, the Credit Agreement or the Security Agreement, nor shall the Administrative Agent or any Secured Party (or any of their respective designees or assignees) be obligated or required to perform any of the Assignor's obligations under the Assigned Agreement or to take any action to collect or enforce any claim for payment assigned under the Security Agreement. No curing of any defaults under the Assigned Agreement shall be construed as an assumption by the Administrative Agent or any Secured Party (or any of their respective designees or assignees) of any of the obligations, covenants or agreements of the Assignor under the Assigned Agreement.

3.4 Substitution: Transfer

a. The Consenting Party agrees that, notwithstanding anything to the contrary in the Assigned Agreement, if the Administrative Agent shall notify the Consenting Party in writing that an Event of Default (as defined in the Credit Agreement) has occurred and is continuing under the Credit Agreement and that the Administrative Agent desires to exercise its rights and remedies pursuant to the Security Agreement, then a Substitute Provider may be substituted for the Assignor under the Assigned Agreement. In such event, the Consenting Party will continue to perform its obligations under the Assigned Agreement in favor of the Substitute Provider, subject, in any event, to all of the Consenting Party's rights and remedies thereunder, but recognizing that the Substitute Provider's obligations under the Assigned Agreement shall be limited to the Substitute Provider's interest in the Facility and all revenues and proceeds derived therefrom. In the event that the Substitute Provider succeeds to the Assignor's interest under the Assigned Agreement, whether by foreclosure or otherwise, the Substitute Provider shall not be liable for curing or performing or be required to perform or cause to be performed any of the defaults under the Assigned Agreement that were, by their nature, incapable of being cured or performed.

b. If the Assigned Agreement is rejected or terminated by a trustee or debtor-in-possession in any bankruptcy or insolvency proceeding involving the Assignor, and if within ninety (90) days after such rejection or termination the Administrative Agent shall so request, a Substitute Provider and the Consenting Party will promptly execute a new agreement that shall be for the balance of the remaining term under the Assigned Agreement (before giving effect to such rejection or termination) and shall contain the same agreements, terms and

conditions as the Assigned Agreement. If the approval of any such trustee or debtor in possession or any regulatory approval is necessary in order for the Consenting Party to enter into or perform under any such new agreement, the Consenting Party shall cooperate with the Administrative Agent or Substitute Provider in obtaining such approvals.

"**Substitute Provider**" means, in respect of any assignment, transfer or sale permitted hereunder (each a "**transfer**") any person, including the Administrative Agent, any Secured Party, or the Administrative Agent's or any Secured Party's designee or assignee, if the transfer is made to the Administrative Agent or a Secured Party, or any purchaser of the Assigned Interest in a foreclosure sale or otherwise, who: (i) is at least as creditworthy (taking into account any credit support provided by such person) as the Assignor on the date of such transfer, (ii) is properly licensed or otherwise authorized to perform the Assignor's obligations under the Assigned Agreement, is a counterparty with whom the Consenting Party is not prohibited from transacting under the regulatory regime then-applicable to the Assigned Agreement, and has provided the certifications and documentation required by Appendix B (*PREPA Signing Conditions*) of the Assigned Agreement, but construing references to Resource Provider therein as references to such new provider; (iii) meets the Consenting Party's internal credit policies as reasonably and consistently applied solely with respect to the maximum potential credit exposure of the Consenting Party to such person (it being understood that the determination of the amount of such credit exposure shall take into account the then current creditworthiness of such person and any collateral or guaranties posted for the benefit of such person), and otherwise has a tangible net worth of at least twenty-five million dollars ($25,000,000) (or its direct or indirect parent has a tangible net worth of at least seventy-five million dollars ($75,000,000); (iv) has provided, to the extent requested, all documentation and other information required by bank regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations (including, without limitation, the Patriot Act, rules and regulations of the Office of Foreign Assets Control and other similar client identification policies and procedures) as well as all documentation required by the Assigned Agreement (including as signing conditions) and Puerto Rico law; (v) has not formally threatened in writing or commenced any litigation proceeding against the Consenting Party and is not subject of any formal written threat of litigation issued or of any litigation proceeding initiated by the Consenting Party; (vi) is or has engaged, in the Consenting Party's sole discretion, a Qualified Operator to develop, construct, test, commission, operate, maintain and repair a project similar to the one contemplated by the Assigned Agreement, to deliver energy to the Consenting Party from such a project and otherwise fulfil the Assignor's obligations under the Assigned Agreement.

4. REPRESENTATIONS

The Consenting Party represents that:

a. The Consenting Party is a Puerto Rico public corporation and governmental instrumentality of the Commonwealth of Puerto Rico, duly organized, validly existing and in good standing under the laws of the Commonwealth of Puerto Rico and is duly qualified to conduct its business, to own its properties, and to execute and deliver, and to perform its obligations under, this Direct Agreement.

b. The execution, delivery and performance by the Consenting Party of this Direct Agreement have been duly authorized by all necessary corporate action and do not and will not (i) require any consent or approval of any Governmental Authority or the board of directors,

members or partners (or equivalent persons), as the case may be, of the Consenting Party which has not been obtained, (ii) violate any provision of any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award presently in effect having applicability to the Consenting Party, or (iii) violate or result in a breach of or constitute a default under, or require a consent that has not been obtained under or result in the creation of a lien under, its certificate of incorporation or by-laws or any indenture or loan or credit agreement or any other material agreement, lease or instrument to which the Consenting Party is a party or by which it or its properties may be bound or affected.

c. This Direct Agreement has been duly executed and delivered by the Consenting Party and constitutes the legal, valid and binding obligation of the Consenting Party enforceable against it in accordance with its terms, except as enforceability may be limited by general principles of equity and by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the rights of creditors generally. This Direct Agreement is in full force and effect.

d. No authorization, approval, consent, permit or other action by, or registration or filing with, any governmental authority or any other entity is necessary for or in connection with the execution or delivery by the Consenting Party of, or the performance by the Consenting Party of any of its obligations under this Direct Agreement, other than those which have been duly obtained or made and are final and non-appealable and in full force and effect as of the date hereof.

e. No litigation, action, suit, adverse proceeding or investigation before or by any arbitrator or government authority is pending or, to the best knowledge of the Consenting Party, threatened in writing against the Consenting Party or against any of its properties or revenues (i) with respect to this Direct Agreement or any of the transactions contemplated hereby or thereby; or (ii) which, individually or in the aggregate, could reasonably be expected to have a material adverse effect on the ability of the Consenting Party to perform its obligations under this Direct Agreement.

5. RESERVATION OF RIGHTS

The parties hereto agree that notwithstanding the terms of Sections 1 and 2 above, each of the Consenting Party and the Assignor reserves any and all rights and remedies (including those relating to set-off, counterclaim, deduction or retention) it may have under the Assigned Agreement or applicable law. The rights reserved by each of the Consenting Party and the Assignor under the Assigned Agreement and applicable law are cumulative and not exclusive of any rights it may have under the Assigned Agreement and/or applicable law.

6. MISCELLANEOUS

6.1 Notices

All notices and other communications hereunder shall be in writing and delivered to the applicable recipient pursuant to this Section 6.1: (i) if to the Consenting Party or to the Assignor, in accordance with the Assigned Agreement; (ii) if to the Administrative Agent, [•] or (iii) to such other address or facsimile number as any party may designate by notice given to all parties hereto pursuant to this Section 6.1. Delivery of notices and communications sent pursuant to this Section 6.1 shall be effective upon receipt.

6.2 Governing Law

THIS DIRECT AGREEMENT AND ALL QUESTIONS REGARDING ITS VALIDITY, INTERPRETATION, PERFORMANCE AND/OR ENFORCEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE COMMONWEALTH OF PUERTO RICO WITHOUT REGARD TO ANY CONFLICT-OF-LAW PRINCIPLES OF SUCH COMMONWEALTH OR OTHER JURISDICTION TO THE CONTRARY. JURISDICTION AND VENUE OF ANY SUIT OR ACTION TO ENFORCE THIS DIRECT AGREEMENT SHALL REST SOLELY IN THE UNITED STATES FEDERAL COURTS IN THE COMMONWEALTH OF PUERTO RICO AND EACH OF THE PARTIES HERETO HEREBY SUBMITS TO THE PERSONAL JURISDICTION OF SUCH COURTS FOR THE PURPOSE OF RESOLVING ANY AND ALL MATTERS ARISING UNDER OR IN RESPECT OF THIS DIRECT AGREEMENT AND AGREES THAT PERSONAL SERVICE UPON EACH SUCH PARTY MAY BE MADE BY DELIVERY THEREOF TO SUCH PARTY AT THE ADDRESS SPECIFIED HEREIN.

6.3 Waiver of Jury Trial

EACH OF THE PARTIES HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS DIRECT AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

6.4 Counterparts

This Direct Agreement may be executed by any number of, and on separate, counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. A facsimile or .pdf copy of a counterpart signature page shall serve as the functional equivalent of a manually executed copy for all purposes.

6.5 Headings Descriptive

The headings of the several sections and subsections of this Direct Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Direct Agreement.

6.6 Severability

In case any provision in or obligation under this Direct Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

6.7 Amendment

Neither this Direct Agreement nor any of the terms hereof may be terminated, amended, supplemented, waived or modified except by an instrument in writing signed by each party hereto.

6.8 Successors and Assigns

This Direct Agreement shall be binding upon the successors and assigns of the Consenting Party and inure, together with the rights and remedies of the Assignor and the Administrative Agent, to the benefit of the Assignor and the Administrative Agent.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE.]

IN WITNESS WHEREOF, the parties hereto have caused this Direct Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year above written.

PUERTO RICO ELECTRIC POWER AUTHORITY

by

_____

Name:

Title:

[•] as Administrative Agent

by

_____

Name:

Title:

APPENDIX Y

FORM OF IF COMPLETION NOTICE

IF COMPLETION CERTIFICATE

Date: [•]

Agreement: [•] [NTD: Insert contract number and title.]

From: CS-UR Juncos PV LLC ("**Resource Provider**")

To: Puerto Rico Electric Power Authority ("**PREPA**")

We refer to the Power Purchase and Operating Agreement dated [•] between PREPA and Resource Provider (the "**PPOA**"). Unless the context otherwise requires, capitalized terms used in this IF Completion Certificate shall have the meanings ascribed to them in the PPOA.

We hereby certify that, on [*date*], Resource Provider has substantially completed and tested the Resource Provider Interconnection Facilities in accordance with paragraphs (a) and (b) of Section 4.4 (*Pre-Synchronization Testing*) of the PPOA.

As required by paragraph (c) of Section 4.4 (*Pre-Synchronization Testing*) of the PPOA, a copy of the red line drawing used for the construction of the Resource Provider Interconnection Facilities is attached to this document.

Very truly yours,

CS-UR Juncos PV LLC
as Resource Provider

_____
[•]

Acknowledged and agreed,

Puerto Rico Electric Power Authority
as PREPA

_____
[•]

APPENDIX Z

FORM OF SUBSTANTIAL COMPLETION NOTICE

SUBSTANTIAL COMPLETION NOTICE

Date: [•]

Agreement: [•] [NTD: Insert contract number and title.]

From: Puerto Rico Electric Power Authority ("**PREPA**")

To: CS-UR Juncos PV LLC ("**Resource Provider**")

We refer to the Power Purchase and Operating Agreement dated [•] between PREPA and Resource Provider (the "**PPOA**"). Unless the context otherwise requires, capitalized terms used in this Substantial Completion Notice shall have the meanings ascribed to them in the PPOA.

PREPA, in consultation with the Consulting Technical Expert, has determined that Resource Provider has constructed the Resource Provider Interconnection Facilities and the Facility in accordance with the Approved Design. Nothing in this certificate relieves or waives any obligation that Resource Provider might have under the Agreement.

The Parties shall proceed with Initial Synchronization and testing pursuant to Article 5 (*Synchronization, Testing & Completion*).

Very truly yours,

CS-UR Juncos PV LLC
as Resource Provider

_____
[•]

Acknowledged and agreed,

Puerto Rico Electric Power Authority
as PREPA

_____
[•]

APPENDIX AA

FORM OF WARRANTY COMPLIANCE CERTIFICATE

WARRANTY COMPLIANCE CERTIFICATE

Date: **[•]**

Agreement: **[•]** [NTD: Insert contract number and title.]

To: Puerto Rico Electric Power Authority ("**PREPA**")

From: CS-UR Juncos PV LLC ("**Resource Provider**")

We refer to the Power Purchase and Operating Agreement dated **[•]** between PREPA and Resource Provider (the "**PPOA**"). Unless the context otherwise requires, capitalized terms used in this Warranty Compliance Certificate shall have the meanings ascribed to them in the PPOA.

I have reviewed the representations and warranties made by Resource Provider under Article 12 (*Representations, Warranties, & Covenants*), and, on behalf of Resource Provider, confirm and certify to PREPA the truth and correctness of such representations and warranties on the date hereof.

Very truly yours,

CS-UR Juncos PV LLC
as Resource Provider

_____
[•]

APPENDIX BB

FORM OF PAYMENT GUARANTEE

THIS PAYMENT GUARANTEE AGREEMENT (the "**Payment Guarantee**"), is entered into as of **[●]** day of **[●]**, by **CANADIAN SOLAR INC**, a corporation organized and existing under the laws of Canada with its principal office at 545 Speedvale Avenue West Guelph, Ontario, Canada N1K 1E6 (the "**Guarantor**"), in favor of **PUERTO RICO ELECTRIC POWER AUTHORITY**, a public corporation and governmental instrumentality of the Commonwealth of Puerto Rico, created by Act of May 2, 1941, No. 83, as amended, with its principal office at 1110 Ponce de León Avenue, Office #808, San Juan, Puerto Rico (together with any successor or permitted assign under the PPOA (as defined below), the "**Beneficiary**");

WHEREAS:

A. CS-UR Juncos PV LLC, a limited liability company organized and existing under the laws of Puerto Rico (the "**Company**") has entered into the Power Purchase and Operating Agreement, dated **[●]**, with the Beneficiary (as amended, the "**PPOA**");

B. (i) the PPOA obligates the Company to deliver this Payment Guarantee to the Beneficiary as one of the conditions precedent for its effectiveness, and (ii) the Guarantor has agreed to execute and deliver this Payment Guarantee; and

C. the Guarantor (i) holds a direct or indirect ownership interest of fifty percent (50%) of the Company on the date hereof, and (ii) expects as an affiliate of the Company to derive commercial benefits from the PPOA as a result of such ownership interest;

NOW, THEREFORE, in consideration of the premises and mutual agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which the Guarantor hereby acknowledges, the Guarantor and the Beneficiary (each, a "**Party**" and collectively, the "**Parties**") hereby agree as follows:

1. DEFINITIONS

1.1 General

In this Payment Guarantee:

"**Banking Day**" means any day other than a Saturday, a Sunday or any other day on which Applicable Law authorizes, or requires, commercial banks in New York City to be closed.

"**Beneficiary**" has the meaning set out in the preamble of this Payment Guarantee.

"**Company**" has the meaning set out in the Recital (A) of this Payment Guarantee.

"**Guaranteed Obligations**" has the meaning set forth in Section 3.1 (*General*).

"**Guarantor**" has the meaning set out in the preamble of this Payment Guarantee.

"**Insolvency Event**" means any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition, liquidation or similar proceeding with respect to a Party or the

Company, any respective properties or creditors of a Party or the Company, or any action taken by any trustee or receiver of a Party or the Company or by any court in any such proceeding.

"**Payment Guarantee**" has the meaning set forth in the preamble of this Payment Guarantee.

"**PPOA**" has the meaning set forth in Recital (A) of this Payment Guarantee.

"**Service of Process Agent**" has the meaning set forth in paragraph (d) of Section 4.2 (*Dispute Resolution*).

"**Term**" has the meaning set forth in Section 4.7 (*Term*).

"**Unrestricted Net Worth**" means, with respect to the Guarantor, the sum of (i) the subscribed and paid-up equity (including additional paid-in capital), and (ii) the Unrestricted Retained Earnings, in each case of the Guarantor.

"**Unrestricted Net Worth Requirement**" means, with respect to any Person, that such Person has an Unrestricted Net Worth of at least seventy-five million dollars ($75,000,000).

"**Unrestricted Retained Earnings**" means, with respect to the Guarantor, the amount of accumulated profits and gains realized out of the normal and continuous operations of the Guarantor after deducting distributions to stockholders and transfers to capital stock or other accounts, and which is (i) not appropriated by its board of the Guarantor for corporate expansion projects or programs; (ii) not covered by a restriction for dividend declaration under a loan agreement; (iii) not required to be retained under special circumstances binding on the Guarantor such as when there is a need for a special reserve for probable contingences; and (iv) not otherwise covered by any other legal restriction (which refers to any injunction, judgement, or order issued by any judicial authority) on the ability of the Guarantor to distribute or otherwise apply its equity.

1.2 Other Defined Terms

The capitalized terms "**Applicable Law**", "**Closing Date**", "**Commercial Operation Date**", "**Default**", "**Person**", "**PREB**" and "**Resource Provider Liability Cap**" shall have the meanings set forth in the PPOA.

2. GUARANTOR'S REPRESENTATIONS & COVENANTS

2.1 Representations

The Guarantor makes the following representations to the Beneficiary as of the date hereof:

a. the Guarantor has been duly organized and is validly existing and in good standing under the Applicable Laws of Canada, has full legal right, power and authority to enter into, and carry out the terms and provisions of, this Payment Guarantee, and by proper corporate action has duly authorized the execution, delivery and performance of this Payment Guarantee;

b. the execution and delivery of, and performance of its obligations under, this Payment Guarantee by the Guarantor will not conflict with, or constitute on the part of the Guarantor a breach of or default under, its relevant organizational documents or any indenture or other material agreement or instrument to which the Guarantor is a party or by which it or its

properties are bound or any order, law, rule or regulation of any court or governmental agency or body having jurisdiction over the Guarantor or any of its activities or properties;

c. this Payment Guarantee has been duly authorized, executed and delivered by the Guarantor and constitutes the valid and legally binding obligation of the Guarantor, enforceable against the Guarantor in accordance with its terms, except to the extent that applicable bankruptcy, insolvency, reorganization, moratorium or other Applicable Laws affecting the enforcement of creditors' rights generally and general equitable principles may limit enforceability of this Payment Guarantee;

d. the Guarantor does not require a notice to, authorization, approval, consent or order of, or registration or filing with, any court or governmental agency or body having jurisdiction over the Guarantor or any of its activities or properties for the execution, delivery and performance of this Payment Guarantee; and

e. the Guarantor (i) holds a direct or indirect ownership interest of fifty percent (50%) of the Company, and (ii) satisfies the Unrestricted Net Worth Requirement.

2.2 Covenants

During the Term, the Guarantor undertakes to:

a. (i) satisfy the Unrestricted Net Worth Requirement on a continuous basis at all times, and (ii) prior to the expiration of the first quarter of each calendar year during the Term, deliver to Beneficiary a certified true and correct copy of audited financial statements, Form 10-Ks or similar types of audited annual reports for the previous calendar year, evidencing that the Guarantor satisfied the Unrestricted Net Worth Requirement for such previous calendar year;

b. hold and maintain a direct or indirect ownership interest of at least twenty-five percent (25%) of the Company; and

c. maintain its existence, and not dissolve, sell or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it.

3. PAYMENT GUARANTEE

3.1 General

The Guarantor absolutely, unconditionally and irrevocably guarantees to the Beneficiary, as primary obligor and not merely as surety, the full and prompt payment by the Company of all of the Company's payment obligations under the PPOA to the Beneficiary when and as due (whether by required prepayment, declaration, acceleration, demand or otherwise) arising during the period that commences on the Closing Date and expires on the Commercial Operation Date, including, without limitation, payment obligations in respect of any Default under the PPOA by the Company, and including all fees, costs, and expenses. (collectively, the "**Guaranteed Obligations**"). This Payment Guarantee constitutes a continuing guaranty of payment and not of collection.

3.2 Indemnity

As an independent and primary obligation, the Guarantor shall indemnify, defend and hold harmless the Beneficiary against any and all losses, damages, costs, expenses and liabilities (including legal fees and expenses) suffered by the Beneficiary or which the Beneficiary may incur, to the extent that a judicial authority declares any of the Guaranteed Obligations as illegal, invalid, void or unenforceable by reason of an Insolvency Event or any other reason.

3.3 Maximum Liability

Notwithstanding any other provision of this Payment Guarantee, the maximum aggregate liability of the Guarantor arising under this Payment Guarantee shall never exceed the maximum aggregate liability of the Company under the PPOA plus costs, fees and expenses, including without limitation all attorneys' fees, which may be incurred by the Beneficiary in enforcing or attempting to enforce this Payment Guarantee as provided in Section 3.7 (*Costs*). The Guarantor shall be entitled to all contractual defenses, limitations and exclusions available to the Company under the PPOA but not any defenses that may arise in the event that the Company suffers an Insolvency Event.

3.4 Unconditional Nature of Obligations; Waivers

Subject to Section 3.3 (*Maximum Liability*), the obligations of the Guarantor under this Payment Guarantee shall be absolute, irrevocable and unconditional and shall remain in full force and effect until the date on which this Payment Guarantee terminates in accordance with Section 4.7 (*Term*), and such obligations shall not be affected, modified or impaired upon the happening from time to time of any event, including without limitation any of the following events, whether or not with notice to, or the consent of, the Guarantor:

a. The waiver, surrender, compromise, settlement, release or termination of any or all of the obligations, covenants or agreements of the Company under the PPOA;

b. The failure to give notice to the Guarantor of the occurrence of a Default under the PPOA;

c. The waiver, compromise or release of the payment, performance or observance by the Company or by the Guarantor, respectively, of any or all of the obligations, covenants or agreements of either of them contained in the PPOA or this Payment Guarantee, as the case may be;

d. The extension of the time for payment of any Guaranteed Obligations under the PPOA or of the time for performance of any other of the Company's obligations arising out of the PPOA;

e. The modification, amendment, waiver or alteration (whether material or otherwise) of any obligation or representation set forth in the PPOA;

f. the taking, or the omission, of any of the actions referred to in the PPOA;

g. any failure, omission, delay or lack on the part of the Beneficiary to enforce, assert or exercise any right, power or remedy conferred on it in the PPOA;

h. the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all the assets, marshalling of assets and liabilities, receivership, insolvency,

bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustment of, or other similar proceedings affecting the Guarantor or the Company or any of the respective assets of either of them, or any allegation or contest of the validity of this Payment Guarantee in any such proceeding;

i. any defense based upon any legal disability of the Company or, to the extent permitted by Applicable Law, any release, discharge, reduction or limitation of or with respect to any sums owing by the Company or any other liability of the Company to the Beneficiary;

j. to the extent permitted by Applicable Law, the release or discharge by operation of law of the Guarantor from the performance or observance of any obligation contained in this Payment Guarantee;

k. the default or failure of the Guarantor fully to perform any of its obligations set forth in this Payment Guarantee; or

l. the invalidity or unenforceability of the PPOA or any part thereof.

This Payment Guarantee is in no way conditional or contingent upon any attempt to collect from or bring action against the Company or its assets or upon any other action, occurrence or circumstance whatsoever. The liability of the Guarantor hereunder is independent of and not in consideration of or contingent upon the liability of any other person under this or any similar instrument and the release of, or cancellation by, any party to this or a similar instrument shall not act to release or otherwise affect the liability of the Guarantor hereunder. The Guarantor hereby agrees that it shall not be necessary for the Beneficiary, and the Guarantor hereby waives any rights which the Guarantor may have to require the Beneficiary, in order to enforce the obligations of the Guarantor hereunder, first to (i) institute suit or exhaust its remedies against any the Company or any other person, (ii) enforce the Beneficiary's rights or exhaust any remedies available to the Beneficiary against any assets of the Company or (iii) resort to any other means of obtaining payment of the obligations of the Company hereunder.

The Guarantor waives and agrees not to assert

(i) the defense of the statute of limitations in any action hereunder or for the collection of the Guaranteed Obligations;

(ii) any defense arising by reason of any lack of corporate or other authority or any other defense of the Company or any other person;

(iii) any rights to set-offs and counterclaims;

(iv) without limiting the generality of the foregoing, to the fullest extent permitted by Applicable Law, any defenses or benefits that may be derived from or afforded by Applicable Law limiting the liability of or exonerating guarantors or sureties, or that may conflict with the terms of this Payment Guarantee; and

(v) any and all notice of the acceptance of this Payment Guarantee, and any and all notice of the creation, renewal, modification, extension or accrual of the Guaranteed Obligations, or the reliance by Beneficiary upon this Payment Guarantee, or the exercise of any right, power or privilege hereunder. The Guaranteed Obligations shall conclusively be deemed to have been created, contracted, incurred and permitted to exist in reliance upon this

Payment Guarantee. The Guarantor waives promptness, diligence, presentment, protest, demand for payment, notice of default, dishonor or nonpayment and all other notices to or upon the Company, the Guarantor or any other person with respect to the Guaranteed Obligations.

If any payment by the Company to the Beneficiary is rescinded or must be returned by the Beneficiary, the obligations of the Guarantor hereunder shall be reinstated with respect to such payment. The Guarantor shall have no right to (i) raise a defense previously raised by the Company arising out of or in connection with a Guaranteed Obligation claimed hereunder and which a judicial authority has settled in the Beneficiary's favor by the dispute resolution procedures of Article 21 (*Dispute Resolution*) of the PPOA, or (ii) to use a cure period previously used by the Company. The Guarantor assumes responsibility for being and remaining informed of the financial condition of the Company and of all other circumstances bearing upon the risk of nonpayment of the Guaranteed Obligations which diligent inquiry would reveal and agrees that the Beneficiary shall not have a duty to advise the Guarantor of information known to it regarding such condition or any such circumstances.

3.5 Proceedings Against the Guarantor

In the event of a Default in the payment of the Guaranteed Obligations when and as the same shall become due, the Beneficiary shall have the right to proceed first and directly against the Guarantor under this Payment Guarantee without proceeding against the Company or exhausting any other remedies which it may have and the Guarantor shall pay all Guaranteed Obligations on demand.

3.6 Subrogation

Upon payment of any Guaranteed Obligation, the Guarantor shall be subrogated to the rights of the Beneficiary against the Company with respect to such Guaranteed Obligation, and the Beneficiary agrees to take at the Guarantor's expense such steps as the Guarantor may reasonably request to implement such subrogation; provided that the Beneficiary shall have no obligation to take any such steps and the Guarantor shall not enforce any right arising by way of subrogation or exercise any other right or remedy arising by reason of any performance by it of this Payment Guarantee, including, but not limited to, any contractual, statutory or common law rights of reimbursement, contribution or indemnity, whether against the Company or any other Person, until the date on which this Payment Guarantee terminates in accordance with Section 4.7 (*Term*).

3.7 Costs

The Guarantor agrees to pay all costs, expenses and fees, including without limitation all attorneys' fees, which may be incurred by the Beneficiary in enforcing or attempting to enforce this Payment Guarantee following any default on the part of the Guarantor hereunder, whether the same shall be enforced by suit or otherwise.

3.8 Financial Condition of the Company

The Guarantor shall not have any right to require the Beneficiary to obtain or disclose any information with respect to: the financial condition or character of the Company or the ability of the Company to pay and perform the Guaranteed Obligations, any action or inaction on the part of the Beneficiary or any other Person; or any other matter, fact or occurrence whatsoever. The Guarantor hereby acknowledges that it has undertaken its own independent investigation of the financial condition of the Company and all other matters pertaining to this Payment Guarantee and

further acknowledges that it is not relying in any manner upon any representation or statement of the Beneficiary with respect thereto, and that it is now and at all times will be completely familiar with, the business, condition (financial or otherwise), operations, performance, properties, and prospects of the Company.

4. MISCELLANEOUS

4.1 Governing Law

This Payment Guarantee shall be governed by, and construed in accordance with, the Applicable Laws of the Commonwealth of Puerto Rico including those processes before PREB whereby PREB renders a final determination of any Dispute submitted pursuant to paragraph (a) of Section 4.2 (*Dispute Resolution*), without regard to any contrary result required under applicable conflicts of laws rules.

4.2 Dispute Resolution

If a dispute arises between the Parties regarding the application, interpretation, enforceability, validity, performance or breach of this Payment Guarantee (a "**Dispute**"), then the disputing Party may promptly provide written notice of the Dispute to the other Party and the Parties shall resolve such Dispute as follows:

a. The Parties shall submit such Dispute to PREB for final determination.

b. Each Party agrees that (i) a final determination of a Dispute rendered by PREB shall have a conclusive and binding effect on it, and (ii) a Party may enforce such final determination in the courts of any competent jurisdiction following completion of any recognition and enforcement process required in such jurisdiction, subject to the grounds for non-enforcement under the laws of the jurisdiction in which such Party seeks such enforcement.

c. For the exclusive benefit of the Beneficiary, the Guarantor irrevocably agrees that the Beneficiary shall have the right to (i) resolve such Dispute but only to the extent that PREB declines to resolve such Dispute, submitted pursuant to paragraph (a) above, for any reason, and (ii) enforce a final determination by PREB in its favor, in each case in the courts of the Court of First Instance for the Commonwealth of Puerto Rico, San Juan Part. By the execution of this Agreement, the Guarantor irrevocably submits to the jurisdiction of any such court in any action, suit or proceeding relating to such Dispute or final determination. Final judgment against the Guarantor in any such action, suit or proceeding shall be conclusive and may be enforced in any other jurisdiction, by suit on the judgment, a certified or exemplified copy of which shall be conclusive evidence of the judgment, or in any other manner provided by Applicable Law.

d. The Guarantor hereby irrevocably designates, appoints and empowers [*name of service of process agent*] (the "**Service of Process Agent**"), with offices currently located at [*address within Commonwealth of Puerto Rico*], as its authorized agent solely to receive for and on its behalf service of any summons, complaint or other legal process in any action, suit or proceeding the Beneficiary may bring in the Commonwealth of Puerto Rico in respect of this Payment Guarantee.

e. As long as this Payment Guarantee remains in force, the Guarantor shall maintain a duly-appointed and authorized agent to receive for and on its behalf service of any summons,

complaint or other legal process in any action, suit or proceeding that the Beneficiary may bring in the Commonwealth of Puerto Rico, United States of America, with respect to this Payment Guarantee. The Guarantor shall keep the Beneficiary advised of the identity and location of such agent.

f. The Guarantor also irrevocably consents, if for any reason its authorized agent for service of process of summons, complaint and other legal process in any action, suit or proceeding is not present in the Commonwealth of Puerto Rico, to the service of such process being made out of the courts of the Commonwealth of Puerto Rico located in the of the Court of First Instance for the Commonwealth of Puerto Rico, San Juan Part by mailing copies of the papers by registered mail, to the Guarantor, at its address specified pursuant to Section 4.3 (*Communications*). In such a case, the Beneficiary shall also send a copy of the process papers to the Guarantor via email.

g. Service in the manner provided in paragraphs (d), (e) and (f) above in any action, suit or proceeding will be deemed personal service, will be accepted by the Guarantor as such and will be valid and binding upon the Guarantor for all purposes of any such action, suit or proceeding.

h. *THE GUARANTOR IRREVOCABLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW:*

1. *ANY OBJECTION THAT IT MAY HAVE NOW OR IN THE FUTURE TO THE LAYING OF THE VENUE OF ANY ACTION, SUIT OR PROCEEDING IN ANY COURT REFERRED TO IN THIS SECTION;*

2. *ANY CLAIM THAT ANY SUCH ACTION, SUIT OR PROCEEDING HAS BEEN BROUGHT IN AN INCONVENIENT FORUM;*

3. *ITS RIGHT OF REMOVAL OF ANY MATTER COMMENCED BY THE BENEFICIARY IN THE COURT OF FIRST INSTANCE FOR THE COMMONWEALTH OF PUERTO RICO, SAN JUAN PART; AND*

4. *ANY AND ALL RIGHTS TO DEMAND A TRIAL BY JURY IN ANY SUCH ACTION, SUIT OR PROCEEDING BROUGHT AGAINST THE GUARANTOR BY THE BENEFICIARY.*

i. Where (i) a dispute, claim or controversy arises out of, or in connection with, the PPOA, and (ii) such dispute, claim or controversy also forms a basis for the Beneficiary to assert a claim under this Payment Guarantee, the Guarantor shall consent to any request by the Beneficiary to join such dispute as a party.

4.3 Communications

Each Party shall deliver all notices and other communications relating to this Payment Guarantee in writing to the other Party, which shall be deemed duly given upon receipt after delivery by hand or sent by e-mail with read receipt confirmation, registered or certified mail, return receipt requested, postage prepaid or by recognized overnight courier service to the following addresses:

FOR COMMUNICATIONS DELIVERED TO GUARANTOR:

Canadian Solar Inc
Av. General Perón 27, 6th Floor
Madrid 28020, Spain
Attention: Mr. Alejandro Moreno Benítez
E-mail: alejandro.moreno@canadiansolar.com

FOR COMMUNICATIONS DELIVERED TO BENEFICIARY:

Puerto Rico Electric Power Authority
1110 Ponce de León Avenue, Office #808
San Juan, Puerto Rico
Attention: Deputy Director of Operations Office
E-mail: mary.zapata@prepa.com

Any Party may change its address for notices by giving written notice to the other Party as set forth above.

4.4 Banking Days

Except as otherwise provided in this Payment Guarantee, if any date on which a payment is to be made, notice is to be given or other action taken hereunder is not a Banking Day, then such payment, notice or other action shall be made, given or taken on the next succeeding Banking Day in such place, and in the case of any payment, no interest shall accrue for the delay.

4.5 Successors and Assigns

This Payment Guarantee shall bind the Guarantor and its successors and permitted assigns and inure to the benefit of the Beneficiary and its successors and permitted assigns. The Guarantor may not assign its obligations hereunder without the prior written consent of the Beneficiary. The Beneficiary may not assign its rights and obligations hereunder without the prior written consent of the Guarantor, except that the Beneficiary may, without any prior consent of the Guarantor, assign its right and obligations hereunder to any permitted assignee of the PPOA.

4.6 Guarantee for Benefit of the Beneficiary; No Third-Party Beneficiaries

The Guarantor has entered into this Payment Guarantee for the benefit of the Beneficiary. Nothing contained herein shall be intended or deemed to create any right in, or to be in whole or in part for the benefit of, any Person other than the Guarantor and the Beneficiary and their respective permitted successors and assigns.

4.7 Term

This Payment Guarantee shall enter into full force and effect on the Closing Date and terminate with no further force and effect on the date on which the Company has (i) discharged all of the Guaranteed Obligations in full or (ii) provided PREPA evidence, reasonably satisfactory to PREPA, demonstrating that Resource Provider has an Unrestricted Net Worth that exceeds the Resource Provider Liability Cap (the "**Term**"). Termination of this Payment Guarantee shall not affect the Guarantor's liability hereunder as to any Guaranteed Obligations existing or arising under the PPOA prior to the effective date of such termination.

4.8 Amendments and Waivers

Any provision of this Payment Guarantee may be amended or waived if, but only if, the Parties execute and deliver such amendment or waiver in writing.

4.9 Headings

The article and section headings of this Payment Guarantee are for convenience only and shall not affect the construction hereof.

4.10 Partial Invalidity

The invalidity of any one or more phrases, sentences, clauses or sections in this Payment Guarantee shall not affect the validity or enforceability of the remaining portions of this Payment Guarantee or any part thereof.

4.11 No Waiver, Remedies

No failure or delay by the Beneficiary in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The remedies herein provided are cumulative and not exclusive of any remedies provided by Applicable Law.

4.12 Execution in Several Counterparts

This Payment Guarantee may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original; but such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the Guarantor has caused this Payment Guarantee to be executed in its name and on its behalf by its duly authorized officer as of the date first above written.

CANADIAN SOLAR INC

as Guarantor

By: _____

Name: [•]

Title: [•]

ACCEPTED AND AGREED BY:

PUERTO RICO ELECTRIC POWER AUTHORITY

as Beneficiary

By: _____

Name: [•]

Title: [•]

CONTRACTOR CERTIFICATION REQUIREMENT

Resource Provider shall provide the following certification to FOMB and the Commonwealth's Contracting Government Entity, signed by its Chief Executive Officer (or equivalent highest rank officer):

Unless the context otherwise requires, capitalized terms have the meanings defined in the draft version of the Power Purchase and Operating Agreement (the "**Agreement**"), relating to the CSUR JUNCOS PV solar project. For purposes of this certification, (i) the term "Agreement" is inclusive of any amendments, modifications or extensions, (ii) the "owner" shall mean all Persons with an ownership or membership interest, as the case may be, equal to or greater than ten percent (10%) in the Resource Provider; and (iii) the term "principals" shall mean any Person that has full authority to act on behalf of Resource Provider.

1. Resource Provider's subcontractor(s) in connection with the Agreement are, as of now, the following:

   - PMG and Associates, LLC

   - Ray Engineers P.S.C

2. Neither Resource Provider nor any of its owners (including any Person or entity with more than a ten percent (10%) ownership interest in Resource Provider), partners, directors, officials or employees, has agreed to share or give a percentage of Resource Provider's compensation under the Agreement to, or otherwise compensate, any third party, whether directly or indirectly, in connection with the procurement, negotiation, execution or performance of the Agreement, except as follows:

3. To the best knowledge of the signatory (after due investigation), no Person has unduly intervened in the procurement, negotiation or execution of the Agreement, for its own benefit or that of a third Person, in contravention of Applicable Law.

4. To the best knowledge of the signatory (after due investigation), no Person has: (i) offered, paid, or promised to pay money to; (ii) offered, given or promised to give anything of value to; or (iii) otherwise influenced any public official or employee with the purpose of securing any advantages, privileges or favors for the benefit of such Person in connection with the Agreement (such as the execution of a subcontract with Resource Provider, beneficial treatment under the Agreement, or the written or unwritten promise of a gift, favor, or other monetary or non-monetary benefit).

5. Neither Resource Provider, nor any of its owners, partners, directors, officials or employees or, to the best of its knowledge (after due investigation), its representatives or subcontractors, has required, directly or indirectly, from third Persons to take any action with the purpose of influencing any public official or employee in connection with the procurement, negotiation or execution of the Agreement, in contravention of Applicable Law.

6. Any incorrect, incomplete or false statement made by Resource Provider's representative as part of this certification shall cause the nullity of the proposed contract and Resource Provider must reimburse immediately to the Commonwealth of Puerto Rico any amounts,

payments or benefits received from the Commonwealth of Puerto Rico under the Agreement.

The above certifications are hereby signed under penalty of perjury by the Chief Executive Officer (or equivalent highest rank officer) in the following form:

"I hereby certify under penalty of perjury that the foregoing is complete, true and correct."

CSUR Juncos PV, LLC

By: Gerardo Adame Álvarez

Title: President

Date: February 9, 2022

Signature: _____

and

By: Jorge Romero Barbado

Title: Secretary

Date: February 9, 2022

Signature: _____