NEPR

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GOVERNMENT OF PUERTO RICO PUBLIC SERVICE REGULATORY BOARD PUERTO RICO ENERGY BUREAU

IN RE: DESIGN OF FUEL
PROCUREMENT HEDGING STRATEGY
PROGRAM FOR THE PUERTO RICO
ELECTRIC POWER AUTHORITY

CASE NO.: NEPR-MI-2022-0004

SUBJECT: Motion in Compliance with the

October 13 Resolution and Order

MOTION IN COMPLIANCE WITH THE OCTOBER 13 RESOLUTION AND ORDER

TO THE HONORABLE ENERGY BUREAU:

COMES NOW the Puerto Rico Electric Power Authority (PREPA), through its counsel of record, respectfully submits and requests as follows:

- 1. On October 13, 2022, the Puerto Rico Energy Bureau of the Public Service Regulatory Board (the "Energy Bureau") issued a *Resolution and Order* ("October 13 Order") by which it informed that it had determined to initiate the case of caption with the intent to develop and implement a hedging program for PREPA's purchase of fuels in future markets based on a need to mitigate the cost for purchase of fossil fuels used to generate electric power in Puerto Rico ("Hedging Program").
- 2. The October 13 Order described the design of the Hedging Program as consisting of two phases. As part of phase one of the Hedging Program design, the Energy Bureau ordered PREPA to respond to the following requests for information:
 - (1) What is PREPA's current generation input fuel exposure by fuel source/plant?
 - (a) Current natural gas, fuel oil, and diesel forecasts (volume and per unit price).
 - (b) Renewables portfolio related data.
 - (2) How many suppliers/contract agreements are currently in place to cover this exposure?
 - (a) Current energy commodity supply/sales agreements.

- (b) Any currently procured positions/confirmations.
- (3) How are commodity budgets for Input Fuel procurement set?
 - (a) Any documentation tied to natural gas, fuel oil and diesel budgets (volume and per unit price) setting methodology.
- (4) What type of formal documentation is already in place to manage energy procurement/hedging?
 - (a) Any Procurement/Hedge Based Policy and Procedural Documentation
 - (b) Documentation that will help the Energy Bureau ascertain PREPA's energy commodity procurement:
 - (i) Objectives
 - (ii) Risk Tolerances
 - (iii) Governance/internal controls
 - (iv) Reporting requirements
- 3. On October 28, 2022, PREPA submitted a document titled *Request for Extension of Time to Comply with the October 13 Resolution and Order* requesting the Energy Bureau a brief extension of time consisting of five (5) working days, until today November 4, 2022, to complete the responses to the requests for information and comply with the October 13 Order. ("October 29 2022 Request for Extension"). The Energy Bureau has yet to rule on the October 29 2022 Request for Extension.
- 4. In compliance with the October 13 Order, PREPA submits responses to the Energy Bureau's request for information as Exhibit A.

WHEREFORE, PREPA respectfully requests the Honorable Energy Bureau to note PREPA's compliance with the October 13 Order.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 4th day of November 2022.

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Exhibit A



RESPONSES TO PREB OCTOBER 13, 2022 ORDER

Introduction

The PREPA generation fleet is comprised of different generating units, including thermoelectric that operate with Bunker C and natural gas, combined cycles that work with natural gas and diesel, combustion turbines for peaking services that work with diesel, and generators that operate with diesel. The generation is complemented with two (2) cogenerators, EcoEléctrica LLP ("EcoEléctrica"), which operates with natural gas and diesel as backup fuel and AES Puerto Rico ("AES"), which works with coal. PREPA buys natural gas for EcoEléctrica but does not buy coal for AES. Thus, the fuels that PREPA purchases to generate are Bunker C (no. 2), diesel (no. 6), and natural gas.



Questions and responses

- 1) What is PREPA's current generation input fuel exposure by fuel source/plant?
- (a) Current natural gas, fuel oil, and diesel forecasts (volume and per unit price).

Response:

The following tables illustrate an example of PREPA's fuel source monthly forecast in volume and energy quantity by fuel type.

	Appproximate Monthly Volumes (bbls)
Bunker C	1,100,000
ULSD	333,333

	Appproximate
	Monthly
	Energy
	Quantity
	(MMBtu)
Natural	
Gas	5,800,000

Price per fuel type (as of Nov.3,2022)

Bunker C	111.245	\$/bbl	
ULSD	182.3173	\$/bbl	
Natural Gas	13.4639	\$/MMBtu	NFE
	11.5639	\$/MMBtu	Naturgy

Further, it must be noted that PREPA is restructuring into an unbundled utility, and as part of the restructuring process, the generation dispatch was assigned to a private operator. This directly affects fuel forecasts as well as actual consumption.

On June 22, 2020, Puerto Rico Electric Power Authority, the Puerto Rico Public-Private Partnerships Authority, LUMA Energy, LLC and LUMA Energy ServCo, LLC (together with LUMA Energy, LLC, hereinafter referred to as "LUMA") executed the *Puerto Rico Transmission and Distribution System Operation and Maintenance Agreement* ("T&D OMA"). The T&D OMA can be accessed at https://www.p3.pr.gov/wp-content/uploads/2020/06/executed-consolidated-om-agreement-td.pdf. According to the T&D OMA's terms, LUMA took over the operations of PREPA's transmission and distribution system on June 1, 2021. Part of LUMA's

responsibilities under the T&D OMA is to manage control center operations, including generation scheduling and economic/reliable transmission and distribution system dispatch and balancing the supply and demand of electricity, including reacting to changes in demand in real-time, adjusting generation dispatch to be in balance with demand and maintaining the transmission and distribution system at safe operating levels. Determining how to implement these operational decisions rests solely upon LUMA The Energy Bureau oversees the implementation and compliance with these duties.

In executing the abovementioned responsibilities, LUMA creates an economic dispatch plan and dispatches energy accordingly. However, PREPA plans fuel purchases based on fuel consumption forecast given the units availability and their dispatch capabilities while maintaining fuel storage safe levels, above 80 percent fill of its fuel reserve tanks.

Prices forecasts and units available for service, listed in PREPA's conservation plans, are provided by PREPA to LUMA. Annex A includes an example of a conservation plan. After the plan is completed, PREPA submits it to LUMA. LUMA then runs a quarterly economic dispatch model. This model is made in the PROMOD software. PREPA includes a PROMOD simulation for the second quarter of Fiscal Year 2023 as Annex B. Annex B shows the generation and fuel budget forecast for each plant with volume and unit price. Once the model is completed, it is submitted to the Energy Bureau for review and validation. The model is then used to calculate the fuel costs for the next quarter, and the Energy Bureau authorizes LUMA, as agent of PREPA, to include these costs in the customers' bills. Fuel costs are a "passthrough expense" to customers.

Fuel costs are paid by PREPA's customers and reconciled every quarter through a reconciliation process approved by the Energy Bureau. The Fuel Charge Adjustment (FCA) is a reconciling rider mechanism that recovers the cost of fuel consumed in PREPA's generating units every quarter. The FCA applies to all of PREPA's customer classes, except the base usage contained in residential fixed-rate (public housing).

The formula to calculate the FCA factor is:

$$FCA = \frac{(Total\ Cost\ of\ Fuel + Prior\ Period\ Reconciliation)}{Applicable\ Retail\ kWh\ Sales}$$

The components of the formula are:

Total Cost of Fuel

The fuel purchase cost for all PREPA's generating facilities for the three (3) forecasted months in the quarterly period. The cost estimates shall be presented every month and include all detail on the type of fuel forecasted to be consumed.



Prior Period Reconciliation

The under- or over-recovered funds for the first two (2) months of the current quarterly period and the last month of the prior quarterly period. PREPA shall provide the reconciling balance with each proposed quarterly filing of the FCA.

Applicable Retail kWh Sales

Energy sales to all classes of customers, including the net inflow (*i.e.*, inflow-outflow) to all net metering customers.

LUMA, as an agent of PREPA, makes a filing for a proposed FCA factor before the end of the second week of the third month of each quarter with the Energy Bureau, which will be proposed to go into effect with the first billing cycle of the first month of the next quarter. If a revised FCA factor is not approved, the previous quarters' FCA factor shall remain in effect until a new factor is approved. Each month, after the final fuel purchase expense and purchased power expense (from independent power producers or IPPs), are available to LUMA, LUMA prepares a re-estimate comparing the re-estimated recovery of fuel purchased and purchased power for the quarterly period. If the re-estimated fuel purchase and purchased power expenses deviate from the estimates by more than \$20 million, PREPA shall re-estimate the fuel and purchased power charge adjustment factors to provide an expected value of zero for the quarterly period.

According to the T&D OMA, LUMA administers certain areas of financial services related to customer service. LUMA collects the payments that PREPA's customers make and distributes the collections in several accounts established in compliance with Section 7.5 of the OMA. Section 7.5(e) provides that LUMA must pay for actual generation pass-through expenditures. Although the Government of Puerto Rico is running a process to award an operation and maintenance contract for the legacy generation assets, PREPA continues to act as the operator of generation services; thus, in this section, generation pass-through expenditures and fuel administration are related to services and administration provided solely by PREPA. One of the accounts established according to the T&D OMA is the fuel account. This account is funded from the generation pass-through expenditures distributed by LUMA. PREPA draws funds from this account to pay fuel supply expenses incurred.



(b) Renewables portfolio-related data.

Response:

PREPA doesn't have any fuel exposure for renewable generation. The only renewable generation assets owned by PREPA are hydroelectric plants (99.7MW installed capacity), which do not require fuel to generate.

PREPA purchases energy from several IPPs which produce with solar and wind utility-scale projects distributed around the Island. The energy is purchased in accordance with power purchase operating agreements that are different for each IPP. PREPA doesn't pay or cover any costs incurred by renewable energy sellers. PREPA's exposure in connection with the renewable portfolio is limited to paying for the energy sold and measured through meters, not fuel costs.





(2) How many suppliers/contract agreements are currently in place to cover this exposure?

(a) Current energy commodity supply/sales agreements.

Response:

See list of six (6) fuel sale and purchase agreements between PREPA and the following companies for the purchase of fuels.

- 1. Total Petroleum Puerto Rico Corp.- 2023 P00045 dated August 31, 2022, for purchase of Ultra Low Sulfur Diesel (ULSD) (Annex _C).
- 2. American Petroleum Company Inc.- 90074 dated August 30, 2021 (Annex D).
- 3. Novum Energy Trading Inc.- 2022 P00024 (A)- dated November 18, 2021, for purchase of distillate No.2 fuel oil (Annex E).
- 4. Naturgy Aprovisionamientos S.A.- 2012 P00107E dated April 2, 2020, for purchase of natural gas (Annex F).
- 5. NFEnergía LLC.- 2019 P00079 dated March 5, 2019, for purchase of natural gas (Annex G).
- 6. Puma Energy Caribe LLC.- 2022 P00020 C dated October 27, 2022, for purchase of bunker residual No. 6 fuel (Annex H).

(b) Any currently procured positions/confirmations.

Response:

Currently, the purchase power agreements between PREPA and the suppliers do not have procured confirmations, because the fuel prices are calculated based on market fluctuations and no fixed price has been stipulated. However, PREPA understands that a meeting with Stone X to discuss this question would be beneficial.





(3) How are commodity budgets for Input Fuel procurement set?

(a) Any documentation tied to natural gas, fuel oil and diesel budgets (volume and per unit price) setting methodology.

Response:

Quarterly budgets are set following the projection process described in response to question 1.a.

The fiscal year fuel expense budget is developed as part of an overall generation system expense budget that also includes purchased power expenses for EcoEléctrica, AES, and renewable IPPs. The fuel and purchased Power expense budget is developed using an industry standard software platform called PROMOD, which calculates the hourly energy supply requirements and costs based on forecast input for customer demand, fuel prices, generation unit availability, transmission and distribution constraints, and other key assumptions. As explained above, LUMA is now the entity responsible for developing the PROMOD dispatch model forecasts using fuel price assumptions from PREPA.

The fuel price inputs to the generation system forecast and budget are developed based on fuel supply contracts currently in place with any expected modifications, as applicable. The fuel contracts each have price formulas that can be generalized as: Commodity Fuel Price Index for Time Period (t) + Fuel Supplier Cost Adder (x), where (t) is the time period in which PREPA receives the fuel and (x) is the specific fuel supply agreement or supplier. There are four major fuel suppliers for electric power generation fuel, as detailed and described in the following table. The commodity fuel price index is projected based on commodity futures contract pricing for the budget year in order to develop the delivered fuel price forecast to be used in PROMOD. The forecast approach for the annual budget fuel and purchased power expenses is the same approach used for the quarterly reconciliation of fuel and purchased power adjustment factors but for a longer time frame. Attached as Annex I is the PROMOD results worksheet that supports the FY2023 certified budget.



Contract Number	Fuel Type	Silnnier		Commodity Price Index Formula	Contract Adder per Unit	Unit	
2022- P00020	Heavy Fuel Oil ("HFO") #6	Barge/ Vessel	Puma	10/30/2023	100 percent (100%) of the fixed zero -point five percent (0.5%) sulfur fuel content, as published on Platt's Oilgram Price Report, USAC Marine Fuel 0.5% S Column (\$/bbl), Atlantic Coast, rounded to three (3) decimal places.	\$2.88	barrel
	Diesel / Light Fuel Oil ("LFO") #2	Diesel / Light Fuel Oil ("LFO") Barge/ Vessel Novum 11/17/2023 Fifty percent (50%) of ULSD fuel from the average of quotations for the "New York/Boston" (Barge) and US Gulf Coast (Waterborne)" as published by		\$7.70	barrel		
2022- P00024	Diesel / Light Fuel Oil ("LFO") #2	Tank Truck	Novum	11/17/2023	the Platt's Oilgram Price Report; rounded to four (4) decimal places. Plus fifty percent (50%) of ULS Diesel from the average of quotations for the "New York Waterborne" and "US Gulf Coast Waterborne" as published by the Argus US Products rounded to four (4) decimal places; said result must be then multiplied by 0.42 to convert from cents per gallon to dollars per barrel.	\$8.61	barrel
2019- P00079	Liquified Natural Gas ("LNG")	Barge/ Vessel	NFE	3/4/2024	Gas Index Price multiplied by one hundred fifteen percent (115%). "Gas Index Price" with respect to any Day, means the final settlement price (in USD per MMBtu) for the New York Mercantile Exchange's Henry Hub natural gas futures contract for the month in which the Day occurs.	\$7.50	MMBtu
2012- P00107E	Liquified Natural Gas ("LNG")	Barge/ Vessel	Naturgy	9/30/2032	The final settlement price for the New York Mercantile Exchange's Henry Hub Natural Gas futures contracts for the month previous to the month of delivery, rounded to two (2) decimal places, multiplied by 115%	\$5.60	MMBtu

¹ Contract expiry for the Novum contract assumes one year extension of the contract term, which is allowed under the agreement but has not yet been effectuated. Contract expiry for the NFE contract presented above is 5 years from the contract Effective Date, but contractually happened on the Firm Supply Conditions Date.



- (4) What type of formal documentation is already in place to manage energy procurement/hedging?
 - (a) Any Procurement/Hedge Based Policy and Procedural Documentation

Response:

The documents used to procure fuel are the following:

- 1. Fuel Forecast Calculations. Annex J
- 2. Master payment Schedule. Annex K
- (b) Documentation that will help the Energy Bureau ascertain PREPA's energy commodity procurement:
 - (i) Objectives
 - (ii) Risk Tolerances
 - (iii) Governance/internal controls
 - (iv) Reporting requirements.





- (5) What type of reports (and what is the frequency) are in place to manage input fuel procurement/hedge activity?
- (a) Documentation/reporting that relates to commodity risk management/input fuel source operations.

Response:

Maintenance and conservation program, see Annex A.

Most recent fuel consumption report from September 2022. Annex L.

Most recent generation report from September 2022. Annex M.

(b) Any pertinent management meeting notes.

Response:

None.





Annex A



PROGRAMA DE CONSERVACIÓN CALDERAS Y TURBO-GENERADORES

Ing. Ferdinand Correa Méndez Administrador de Generación

Aprobado por:

Ing. Josué Colón Ortiz Director Ejecutivo

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RESERVA TOTAL DEL SISTEMAS

% DE DISPONIBILIDAD TOTAL

(MW)

 905
 726
 762
 195
 268
 413
 419
 1022
 1133
 1155
 1180
 834

 62.22
 58.13
 59.87
 49.92
 57.44
 62.55
 60.10
 60.38
 70.30
 73.24
 61.36
 58.92

Para garantizar la confiabilidad, en caso de salidas forzadas el programa pudiera sufrir cambios.



[Native version sent by e-mail to PREB for upload to its website]







2023-P00045

FUEL PURCHASE CONTRACT 902-09-22 GASOLINE AND DIESEL AT SERVICE STATIONS

AS FIRST PARTY: The Puerto Rico Electric Power Authority, hereinafter referred to as "PREPA" a public corporation and government instrumentality of the Commonwealth of Puerto Rico, created by Act of May 2, 1941, No. 83, as amended, represented in this act by its Executive Director, Josué A. Colón Ortiz, of legal age, married, professional engineer, and resident of Caguas, Puerto Rico.

AS SECOND PARTY: TotalEnergies Marketing Puerto Rico Corp., hereinafter referred to as "Seller", a corporation organized and existing under the laws of Commonwealth of Puerto Rico, authorized to do business in Puerto Rico, employer's Social Security represented in this act by Mónica García of legal age, married, and resident of San Juan, by virtue of the ratification of the Corporate Resolution dated August 31, 2022.





WITNESSETH

WHEREAS, PREPA asked the Administración de Servicios Generales (ASG) to authorize the use of its contract 2020-000131 (the ASG Contract) for the supply of gasoline and Ultra Low Sulfur Diesel (ULSD) subscribed with TotalEnergies Marketing PR Corp. (Seller) upon request at service stations.

WHEREAS, in response to the inquiry, on May 10, 2022, ASG authorized PREPA to use the ASG Contract, under the contract's terms and conditions, to supply PREPA with gasoline and ULSD upon request.

NOW THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the parties agree as follows:

ARTICLE I - Scope and Term of Contract

- A. Seller agrees to sell and deliver to PREPA and PREPA agrees to purchase from Seller gasoline and Ultra Low Sulfur Diesel (ULSD) at service stations. The fuel shall comply with applicable specifications as regulated by EPA and EQB for Puerto Rico. PREPA reserves its right to purchase its requirements of gasoline and diesel in other service stations for those sites where Seller's facilities are not located within a one-mile radius from PREPA's facilities or when the type of fuels requested is not offered at Seller's station.
- B. The Contract shall become effective on September 1, 2022 and will be in effect for a period of one (1) year. The Contract may be extended for an additional year only by written amendment agreed upon both parties. The Contract may be extended on a monthly basis upon mutual agreement on the same terms and conditions after the end of the contracted term, provided that, said extension shall not exceed four (4) consecutive months, except when an emergency is declared by PREPA's Governing Board. This Contract is subject to any extension(s) or the issue of a new contract between TotalEnergies Marketing PR Corp. and the Administración de Servicios Generales (ASG), in which case an amendment to this Contract may be required.

Generales (ASG), in w ARTICLE II - Termination

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In the event, the Seller fails to comply with any of its obligations under the Contract; PREPA may declare an immediate Contract termination, cancellation, or rescission, without prior notice to the Seller. The exercise of its right to terminate, cancel or rescind the Contract shall not be understood as a waiver by PREPA to any other remedy it may

have under this Contract or under the law for delays or breach incurred by the Seller in the performance of its obligations under the Contract.

ARTICLE III - Independent Contractor

Seller shall be considered an independent contractor for all material purposes under this Contract, and all persons engaged or contracted by Seller 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.

In consequence Seller is not entitled to any fringe benefits such as, but not limited to vacations, sick leave, and other.

ARTICLE IV - Delivery

- A. Seller shall submit a list of the stations and their location as well as of the type of fuel offered at each service station.
- B. Fuel will be served at Seller's service stations by honoring a fleet card. Said fleet card shall be provided by Seller to PREPA for its distribution before using.
- C. Seller's stations shall be equipped with a Point of Sale System (POS) which shall be able to register and communicate the transactions information in an electronic format.
- D. If Seller, for any reason, except as provided for in the Force Majeure provision of this Contract, fails to deliver the fuel required as established in this Contract, PREPA may procure the product from any other Seller. It shall be understood that PREPA is not waiving any rights or remedies available to it under the law, including rights to any claims or actions for damages caused by noncompliance by Seller with the terms of this Contract.





ARTICLE V - Specifications

- A. Seller guarantees that fuel supplied under this Contract complies with applicable specifications as regulated by EPA and EQB for Puerto Rico. PREPA's acceptance of, or agreement to remedial or preventive measures, shall not be interpreted or considered as a waiver of any right or remedy available to it under the law, including, but not limited to, rights to actions or claims for damages caused by Seller's noncompliance with the fuel specifications, or with any other provision of this Contract.
- B. The fuel to be supplied will be available to PREPA as requested. If Seller is unable at any time, except for reasons as provided for in the Force Majeure provision, to supply in full the amounts of fuel required, then it shall supply the balance by which it fails to meet such amounts with a higher-grade fuel acceptable to PREPA and at the same price as that of the herein specified fuel.
- C. PREPA, in determining and establishing the specifications, considers environmental regulations as may be in effect at such time. In the event that during the term of the Contract, Federal or Commonwealth of Puerto Rico laws or regulations are modified requiring the use of a fuel of different specifications than the fuel contracted for and if these changes require an adjustment in the price of the fuel contracted for; then the parties shall meet within five (5) days from the enactment of any such law or regulations to discuss the matter for the purpose of establishing new price terms, satisfactory to both parties for the fuel with new specifications. If an agreement cannot be reached prior to the enforcement date of the regulations because Seller is not competitive or, if for any reason, Seller cannot provide the fuel according to the new



specifications; then PREPA shall have the right to terminate the Contract without Seller being entitled to any further compensation except for payment of fuel already delivered to and due by PREPA.

D. If during any delivery Seller fails to meet the specifications as established on ASG Contract 2020-000131, PREPA reserves the right, without limiting any other right or remedy it may have under this Contract and/or under the law, to evaluate the deviations and deduct a monetary equivalent from the amounts due to Seller, establish a claim for nonperformance, or terminate the contractual relationship with Seller for nonperformance.

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E. Seller will be held responsible for any fines, penalties, damages, expenses, costs or claims, actions, and causes of actions, which may arise due to the fact that any of the fuel provided by Seller has deviations or variations from the contracted specification for the same. Therefore, if such circumstance takes place, Seller will hold and save harmless and will defend PREPA, its officers, agents, and employees, from any claims, actions, causes of actions, damages, costs, fines, penalties, and expenses due to the above.

ARTICLE VI - Price and Payment

A. The contracted prices are based on a unit price in US dollars per gallon (\$/gallon) to be computed using a fixed price differential plus an escalator factor and applicable

taxes. The escalator formulas are as follows:

- 1. Regular Gasoline Unleaded 87 Octanes Previous 5 days average Monday thru Friday as published by <u>Platt's NYMEX RBOB Price Report</u>. Final number is to be rounded to five (5) decimal places. Postings for holidays shall be the last published price to be in effect before this date for purposes of escalation. A sample calculation is presented as Exhibit A.
- 2. ULSD Previous 5 days average Monday thru Friday as published by <u>Platt's NYMEX ULSD Price Report</u>. Final number is to be rounded to five (5) decimal places. Postings for holidays shall be the last published price to be in effect before this date for purposes of escalation. A sample calculation is presented as Exhibit A.

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3. The fixed differentials are:

a. Gasoline:

\$0.370 per gallon

b. ULSD:

\$0.375 per gallon

- B. Seller shall render monthly invoices for all deliveries carried out during the month and issued fleet cards.
- C. Seller's invoice shall include an electronic file in Microsoft Excel format in which a description of each transaction is registered using the record layout provided in Exhibit B. Also, Seller shall provide a separated file with a report in "portable document format" (pdf) including all transactions. These files shall be recorded and submitted in a CD-R, DVD-R or downloadable files from Seller's website.

- D. Payments will be made in U.S. currency within forty-five (45) days after receipt of invoice for fuel delivered. PREPA will pay on the basis of type of fuel, quality and quantity of fuel received.
- E. All invoices submitted by Seller shall include the following Certification in order to proceed with its payment. This is an essential requirement and those invoices without this Certification, will not be processed for payment.

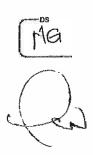
Non-Interest Certification:

Under penalty of absolute nullity, I hereby certify that no employee, official or director of PREPA is a party or has any interest in the profits or benefits to be obtained under this contract, or if any employee, official or director of PREPA has any interest in the profits or benefits under this Contract a waiver has been previously obtained. I, also certify that the only consideration to provide the services under this contract is the payment agreed with PREPA's authorized representative.

The total amount of this invoice is fair and correct. The services were provided, and no payment has been received for said concept.

Seller's Signature

- F. Volume calculation for excise tax purposes will be as determined by the Puerto Rico Treasury Department or the applicable regulatory agency. Applicable taxes to the purchase of gasoline and ULSD fuel will be determined as follows (Exhibit C).
 - Crude oil tax This will be calculated using the official value as reported by the Puerto Rico Treasury Department (Hacienda) for corresponding month in its "Determinación de Arbitrio al Petróleo Crudo, Productos Semiterminados y Productos Terminados Derivados del Petróleo" monthly communication. Said



value shall be divided by forty-two (42) in order to obtain the applicable amount in dollars per gallon to be applied.

Excise tax - This is a fixed value for the different fuels, and it can only be modified by legislation. The values currently in effect are the following:

a. gasoline

\$0.16 per gallon

b. diesel

\$0.04 per gallon

- 3. Oil Spill Tax This is a fixed value established by the US Congress from time to time covering an specific time frame. Current value is \$0.00214 per gallon.
- G. It will be Seller's full responsibility to obtain a refund for the payment of any taxes from which PREPA is exempt.

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H. Conversion factor between gallons and liters will be the following:

1 gallon = 3.785 liters

- by PREPA at a cost of \$1.00 each, prior to the commencement of the Contract and the same shall be valid for at least two (2) years. All other new or replacement fleet card requested after this initial emission will have a cost of \$1.00 each to be paid by PREPA.
- J. Payments performed under this Contract will be charged to the account number 1-2321-23215-000-000. The maximum contract amount is one million five hundred four thousand five hundred fifty-two dollars (\$1,504,552).
- K. This Contract is subject to any extension(s) or the issue of a new contract between TotalEnergies Marketing PR Corp. and the Administración de Servicios Generales (ASG), in which case an amendment to this Contract may be required.

ARTICLE VII - Measurement

The volume of fuel served at Seller's filling stations will be that established by the pump meter and should be recorded when filling the information on the Point-of-Sale System (POS). The meter at the pump should have a validated inspection certificate of the Consumer's Affairs Department (DACO), of the Commonwealth of Puerto Rico, at the time of delivery.

ARTICLE VIII - Force Majeure

The parties hereto shall be excused from performing hereunder and shall not be liable in damages or otherwise, if and only to the extent that they shall be unable to perform or are prevented from performing by a Force Majeure event. For purposes of this Contract, Force Majeure means any cause without the fault or negligence, and beyond the reasonable control of, the party claiming the occurrence of a Force Majeure event. Force Majeure may include, but not be limited to, the following: Acts of God, industrial disturbances, acts of the public enemy, war, blockages, boycotts, riots, insurrections, epidemics, earthquakes, storms, floods, civil disturbances, lockouts, fires, explosions, interruptions of services due to the acts or failure to act of any governmental authority; provided that these events, or any other claimed as a Force Majeure event, and/or its effects, are beyond the reasonable control and without the fault or negligence of the party claiming the Force Majeure, and that such party, within ten (10) days after the occurrence of the alleged Force Majeure, gives the other party written notice describing the particulars of the occurrence and its estimated duration. The burden of proof as to whether a Force Majeure has occurred shall be on the party claiming the Force Majeure.





ARTICLE IX - Most Favored Client

Seller recognizes that PREPA provides an essential service for the Commonwealth of Puerto Rico. Should any force majeure event cause Seller to suspend or reduce deliveries, Seller shall give PREPA first priority for supply.

ARTICLE X - General Liabilities

A. The Seller agrees to make, use, provide, and take all proper, necessary precautions, safeguards and protection against the occurrence or happening of injuries, death and/or damages to any person or property during the delivery process, and to be responsible for, and indemnify, and save PREPA harmless from public liability, costs, and expenses resulting there from, or damages that may happen or occur solely through the fault or negligent acts or omissions of the Seller, its employees, agents, and subcontractors, during the performance or the supply, or while carrying out any act or action directly or indirectly related, or in connection with the performance of this Contract, and from loss, liability, and fines incurred for, or by reason of violation by the Seller of any federal, state, or municipal ordinance, or regulation of law, while said delivery is in progress.



B. Seller will be held responsible for any fines, penalties, damages, expenses, costs, or claims, actions and causes of actions, which may arise due to the fact that any of the fuel provided by Seller has deviations or variations from the contracted and guaranteed specifications for the same. Therefore, should such circumstances take place, Seller will hold and save harmless and will defend PREPA, its officers, agents, and employees from any claims, actions, causes of actions, damages, costs, fines,

penalties, and expenses due or attributable to variations or deviations from fuel specifications as contracted and guaranteed by Seller.

- C. Seller agrees to save and hold harmless and to indemnify PREPA for all expenses and costs of any nature (including attorneys' fees) incurred by PREPA arising out of any claim made by any person for personal injuries, including death, or for property damage, caused by the Seller, by act or omission, in the performance or nonperformance of its obligations under the Contract.
- D. The appearing parties agree that their responsibilities for damages under this Contract will be governed by the <u>Puerto Rico Civil Code</u> and its case law, as dictated by the Supreme Court of Puerto Rico.

ARTICLE XI - Notices

A. Any notice to be given hereunder shall be in writing and will be sufficiently served when delivered in person or properly mailed to the following addresses:

To PREPA: Puerto Rico Electric Power Authority

Attention: Fuels Office Manager

PO Box 364267

San Juan, Puerto Rico 00936-4267

To Seller: TotalEnergies Marketing PR Corp.

G.P.O. Box 362916

San Juan, Puerto Rico 00936-2916

B. Either Seller or PREPA, upon any change of its address as set forth above, shall notify the other party in writing and from and after giving of such notice, the address therein specified shall be deemed the address of such party for the giving of notices.

ARTICLE XII - Insurances and Performance Bond

- A. Seller shall secure and maintain in full force and effect during the life of this Contract as provided herein, policies of insurance covering all operations engaged in by the Contract as follows:
 - 1. Commonwealth of Puerto Rico Workmen's Compensation Insurance: Seller shall provide Workmen's Compensation Insurance as required by the Workmen's Compensation Act of the Commonwealth of Puerto Rico. Seller shall also be responsible for compliance with said Workmen's Compensation Act by all its subcontractors, agents, and invitees, if any. Seller shall furnish the PREPA a certificate from the Puerto Rico's State Insurance Fund showing that all personnel employed in the work are covered by the Workmen's Compensation Insurance, in accordance with this contract.
 - 2. Employer's Liability Insurance: Seller shall provide 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 the Seller as 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 Workmen's Compensation Act of the Commonwealth of Puerto Rico.
 - Commercial General Liability Insurance: Seller shall provide a Commercial General Liability Insurance with limits of \$1,000,000 per occurrence and \$1,000,000 aggregate.





- 4. Commercial Automobile Liability Insurance: Seller shall provide a Commercial Automobile Liability Insurance with limits of \$1,000,000 combined single limit covering all owned autos, non-owned and hired automobiles.
- B. Requirements Under the Policies: The Commercial General Liability and Commercial Automobile Liability Insurance required under this contract, shall be endorsed to include:
 - 1. As Additional Insured:
 - a) Puerto Rico Electric Power Authority (PREPA)
 PO Box 364267
 San Juan, PR 00936-4267
 - b) LUMA Energy ServCo, LLC PO Box 364267 San Juan, PR 00936-4267
 - 2. A 30-day cancellation or non-renewable notice to be sent to the above address.
 - 3. An endorsement including this contract under contractual liability coverage and identifying it by number, date, and parties to the contract.
 - 4. Waiver of Subrogation in favour of PREPA.
- 5. Breach of Warranties or Conditions: "The Breach of any of the Warranties or
 - Conditions in this policy by the Insured shall not prejudice PREPA'S rights under this policy."
- C. All required policies of insurance shall be in a form acceptable to PREPA and shall be issued only by insurance companies authorized to do business in Puerto Rico.
- D. Seller shall furnish a certificate of insurance in original signed by an authorized representative of the insurer in Puerto Rico, describing the coverage afforded. This





certification shall be in the "Accord" form, in general use by the insurers. Also, original of the endorsements shall be furnished.

E. Performance Bond

Upon execution of the Contract, Seller will furnish a performance bond payable to the order of PREPA issued by a qualified surety company, authorized to do business in Puerto Rico and acceptable to PREPA, in the amount of \$376,138 equivalent to twenty-five per cent (25%) of the estimated total contract value.

PREPA will accept a letter of credit for the same amount in lieu of a performance bond, provided that the letter of credit shall incorporate the following conditions to be acceptable to PREPA:





- 1. to be issued or notified and confirmed by a local bank in Puerto Rico,
- 2. to be unconditional and irrevocable.
- 3. payments to be made by issuing bank on a business day by wire transfer, immediately after PREPA's instructions,
- 4. to be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico, applicable to contracts being made and performed solely within Puerto Rico, without giving effect to any conflicts or choice of law principles which otherwise might be applicable, except to the extent such laws are inconsistent with the uniform customs and practices for documentary credits, final draft of the letter of credit shall be subject to approval by PREPA's Treasurer.

ARTICLE XIII - Modifications and Novation

No modification, change, renewal, extension, discharge, or waiver of this Contract, or any of the provisions herein contained, shall be valid and binding except by a written, mutual agreement of the parties signed by a duly authorized officer of each party.

PREPA and Seller expressly agree that no amendment or change order which could be made to the Contract, during its term, shall be understood as a contractual novation, unless both parties agree to it, specifically and in writing. The previous provision shall be equally applicable in such other cases where PREPA gives Seller a time extension for the compliance of any of its obligations under the Contract or where PREPA dispenses the claim or demand of any of its credits or rights under the Contract.





ARTICLE XIV - Termination on Insolvency

If Seller enters into bankruptcy proceedings, or if Seller becomes bankrupt or insolvent, or if a petition in bankruptcy is filed against Seller, or if a receiver is appointed for Seller, PREPA shall have the right to terminate the Contract upon written notice to Seller, without prejudice to any claim or any other right of PREPA under the Contract at the time of such termination.

Notice of termination under this provision shall create no liability to PREPA, except that PREPA shall still be responsible for the payment of amounts due and owing to Seller not subject to claims by PREPA.

ARTICLE XV - Contract Assignment

- A. This Contract, as well as any of the rights, duties, liabilities, and obligations under it, cannot be assigned, transferred, subcontracted, hypothecated, or otherwise disposed of by Seller without the previous written consent of PREPA.
- B. PREPA does not favor request for assignment, transfers, hypothecation, or other type of disposal of the Contract, and/or duties and obligations under it, and will be reluctant to approve any request to that effect, unless, in the judgment of PREPA, the circumstances of the request warrant its approval and the assignment, transfer, hypothecation or disposal does not operate against PREPA's best interests.



ARTICLE XVI - Duties, Taxes and Fees

- A. The contracted prices shall include all taxes, fees, or established import tariffs for foreign material.
- B. In the event that any new or increased taxes, fees, or tariffs, applicable to the product being supplied hereby are levied by Federal and/or Commonwealth of Puerto Rico Government, and as long as these taxes, fees, or tariffs do not discriminate whether the product is domestic or foreign, these will be passed in their entirety to PREPA. Any changes up or down in these taxes, fees, or tariffs, should they be imposed, will be reflected in the price in its entirety and Seller will adjust the price accordingly. However, should said new or increased taxes, fees or tariffs discriminate whether the product is domestic, or foreign and said new or increased taxes, fees or tariffs result in a lower price for any fuel, Seller must supply fuel which results in the lowest cost to PREPA. Should said fuel be unavailable, the parties shall meet within five (5)

working days from Seller's notification to PREPA that the lowest priced fuel is unavailable, or at PREPA's request, to discuss fuel availability from other sources and negotiate the financial aspect of any taxes, fees or tariffs applicable to that product. If an agreement cannot be reached, PREPA shall have the right to terminate the Contract.

ARTICLE XVII - Certifications

The Seller will comply with all applicable laws, regulations and executive orders that regulate the contracting process and requirements of the Government of Puerto Rico, including Act 73-2019, as amended, known as the "2019 General Services Administration Act for the Centralization of Purchases of the Government of Puerto Rico" (Act 73-2019). In compliance with the provisions of Act 73-2019, the Seller has provided PREPA the Certification of Eligibility of the Unique Registry of Professional Services Providers (known in Spanish as "Certificado de Elegibilidad del Registro Único de Licitadores", and hereinafter referred to as the "RUL Certification", issued by the General Services Administration. It is hereby acknowledged that pursuant to the provisions of Article 42 of Act 73-2019, a valid RUL Certification serves as evidence of compliance with the documentation requirements necessary for contracting services with the Government of Puerto Rico, particularly those applicable under Act 237-2004, as amended, which establishes uniform contracting requirements for services for the agencies and governmental entities of the Commonwealth of Puerto Rico (3 L.P.R.A. § 8611 et seg.), the Puerto Rico Department of Treasury Circular Letter Number 1300-16-16 issued on January 22, 2016, as amended, and the sworn statement before notary



public required pursuant to Article 3.3 of Act 2-2018.

Further, the Seller hereby certifies, guarantees, acknowledges, and agrees to the following:

A. The Seller hereby certifies that as of the execution of this Contract, it has filed income, sales, and use ("IVU" for its Spanish acronym), and property taxes returns, in Puerto Rico for the past five (5) years. The Seller also certifies that it does not have any outstanding debt or other debts with the Government of Puerto Rico for income collected by the Department of the Treasury (known in Spanish as Departamento de Hacienda de Puerto Rico)), IVU, real or chattel property taxes (collected by the "Centro de Recaudación de Ingresos Municipales" ("CRIM"), unemployment insurance premiums, workers' compensation payments, Social Security for chauffeurs from the Department of Labor and Human Resources, nor have debts with the Puerto Rico Child Support Administration (known in Spanish as the Administración para el Sustento de Menores (ASUME). In the event that the Seller owes taxes or premiums to said government agencies, it agrees that PREPA may withhold any monies due to the Seller under this Contract to be applied to the payment and cancellation of said debt. The Seller also certifies that it is in corporate "Good Standing" at the Department of State of Puerto Rico. The Seller hereby represents and certifies that it is duly authorized to do business under the laws of Puerto Rico by the Department of State and the execution, delivery, and performance of all the services under this Contract are within the Seller authorized powers and are not in contravention of law. The Seller also certifies that it is in compliance with the Merchant Registration. Accordingly, the



Seller has submitted to PREPA its Certificate of Providers ("Certificado Único de Licitadores") from the General Services Administration. The Seller shall maintain its certificate valid for the duration of this Contract.

In accordance with the provisions of Article 42 of Act 73-2019, PREPA, as an Exempt Entity, recognizes the validity of the RUL Certification issued by the General Services Administration, who requires from professional service providers all certifications and documents required for governmental contracting, in accordance with Act 237-2014, as amended, and other provisions approved thereunder.

- B. Special Contribution for Professional and Consulting Services: As required by Act 48-2013, as amended, PREPA will withhold a special contribution of one point five percent (1.5%) of the gross amounts paid under this Contract. (If applicable).
- C. Social Security and Income Tax Retentions: In compliance with Executive Order 1991 OE-24; and C.F.R. Part 404 et. Seq., the Seller will be responsible for rendering and paying the Federal Social Security and Income Tax Contributions for any amount owed as a result of the income, from this Contract.
- D. Income Tax Retention Law: PREPA shall deduct and withhold ten percent (10%) of any and all payments to residents of the Commonwealth of Puerto Rico as required by the Internal Revenue Code of Puerto Rico. In case of US citizens and non-US citizens, which are nonresidents of the Commonwealth of Puerto Rico, PREPA shall deduct and withhold twenty percent (20%) and twenty-nine percent (29%) respectively. PREPA will remit such withholdings to the Government of Puerto Rico's Treasury Department (known in Spanish as *Departamento de*



Hacienda de Puerto Rico). The Seller will request PREPA not to make such withholdings if, to the satisfaction of PREPA, the Seller timely provides a release from such obligation by the Government of Puerto Rico's Treasury Department. 3 L.P.R.A. § 8611 et seq., 2011 L.P.R. 232; 232-2011.

- E. Compliance with Act 1 of Governmental Ethics: The Seller will certify compliance with Act 1 of January 3, 2012, as amended (Act 1-2012), known as the Ethics Act of the Government of Puerto Rico, which stipulates that no employee or executive of PREPA nor any member of his/he immediate family (spouse, dependent children or other members of his/her household or any individual whose financial affairs are under the control of the employee) shall have any direct or indirect pecuniary interest in the services to be rendered under this Contract, except as may be expressly authorized by the Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government. 3 L.P.R.A. § 8611 et seq.
- F. Act 127-2004: Contract Registration in the Comptroller's Office of Puerto Rico Act: Payment for services object of this Contract will not be made until this Contract is properly registered in the Office of the Comptroller of the Government of Puerto Rico pursuant to Act 18 of October 30, 1975, as amended.
- G. Prohibition with respect to execution by public officers: 3 L.P.R.A. §8615(c): No public officer or employee authorized to contract on behalf of the executive agency for which he/she works may execute a contract between the agency for which he/she works and an entity or business in which he/she or any member of his/her family unit has or has

had direct or indirect economic interest during the last four (4) years prior to his/her holding office.

- H. Prohibition with respect to contracting with officers or employees: 3 L.P.R.A. §8615(d): No executive agency may execute a contract in which any of its officers or employees or any member of their family units has or has had direct or indirect economic interest during the last four (4) years prior to their holding office, unless the Governor gives authorization thereto with the previous recommendation of the Secretary of the Treasury and the Secretary of Justice.
- Prohibition with respect to contracts with officers and employees of other Government entities: 3 L.P.R.A. §8615(e): No public officer or employee may be a party to or have any interest in any profits or benefits produced by a contract with any other executive agency or government dependency unless the Governor gives express authorization thereto with previous recommendation from the Secretary of the Treasury and the Secretary of Justice.
- J. Prohibition with respect to evaluation and approval by public officers: 3 L.P.R.A. §8615(f): No public officer or employee who has the power to approve or authorize contracts shall evaluate, consider, approve or authorize any contract between an executive agency and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.
- K. Prohibition with respect to execution by public officers' contracts with former public officers: 3 L.P.R.A. §8615(h): No executive agency shall execute contracts with or

for the benefit of persons who have been public officers or employees of said executive agency until after two (2) years have elapsed from the time said person has ceased working as such.

- L. Dispensation: Any and all necessary dispensations have been obtained from any government entity and that said dispensations shall become part of the contracting record.
- M. Rules of Professional Ethics: The Seller acknowledges and accepts that it is knowledgeable of the rules of ethics of his/her profession and assumes responsibility for his/her own actions.
- N. Act 168-2000: Law for the Strengthening of the Family Support and Livelihood of Elderly People: The Seller will certify that if there is any Judicial or Administrative Order demanding payment or any economic support regarding Act 168-2000, as amended, the same is current and in all aspects in compliance.
- O. Provisions Required under Act 14-2004: If applicable to the services provided under the Contract, Seller agrees that articles extracted, produced, assembled, packaged, or distributed in Puerto Rico by enterprises with operations in Puerto Rico, or distributed by agents established in Puerto Rico shall be used when the service is rendered, provided that they are available.

ARTICLE XVIII - Non- Discrimination

The Seller agrees that it will not discriminate against any employee or applicant for employment on account of race, color, gender, age, sex, national or social origin, social status, political ideas or affiliation, religion, for being or perceived to be a victim of





domestic violence, sexual aggression or harassment, regardless of marital status, sexual orientation, gender identity or immigrant status, for physical or mental disability, for veteran status or genetic information.

ARTICLE XIX - Contractor's Certification Requirement

The Parties acknowledge that the Seller has submitted the certification titled "Contractor Certification Requirement" required in accordance with the Contract Review Policy of the Financial Oversight and Management Board for Puerto Rico, effective as of November 6, 2017, and amended on October 30, 2020, signed by the Seller's Executive Director (or another official with an equivalent position or authority to issue such certifications). A signed copy of the "Contractor Certification Requirement" is included as an annex to this Contract.



The Seller represents and warrants that the information included in the Contractor Certification Requirement is complete, accurate and correct, and that any misrepresentation, inaccuracy of falseness in such Certification will render the Contract null and void and the Seller will have the obligation to reimburse immediately to the Commonwealth any amounts, payments or benefits received from the Commonwealth under the Contract.

ARTICLE XX - Choice of Law and Venue

This Contract and any other document that form part of the Invitation to Bid shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico. Also, the contracting parties expressly agree that only the state courts of Puerto Rico will be the courts of competent and exclusive jurisdiction to decide over the

judicial controversies that the appearing parties may have among them regarding the terms and conditions of this Contract.

ARTICLE XXI - Contingent Fees

A. Seller warrants that it has not employed any person to solicit or secure the Contract upon any agreement for a commission, percentage, brokerage or contingent fee. Breach of this warranty will give PREPA the right to immediately terminate the Contract and/or to deduct from any payment the amount of such commission, percentage, brokerage, or contingent fee, or to claim said amount by whatever means available under the law.



- B. No officer, employee, or agent of PREPA or of the Commonwealth of Puerto Rico, or of any Municipal Government shall be admitted to any share or part of the ensuing Contract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to the ensuing Contract if made with a well-known oil corporation for its general benefit, although said corporation employs a relative, by reasons of consanguinity or affinity, to a PREPA employee.
- C. Seller represents and warrants that it is authorized to enter into, and to perform its obligations under this Contract and that it is not prohibited from doing business in Puerto Rico or barred from contracting with agencies or instrumentalities of the Commonwealth of Puerto Rico, including PREPA.

ARTICLE XXII - Transfer of Funds

If Seller decides to assign or transfer an amount, due or payable, to which he is entitled for services rendered or goods provided during the term of this Contract, Seller shall notify

PREPA of such transfer of funds, in accordance to the provisions of Act 21-2012. Said notice shall clearly indicate the rights granted, including a copy of the Contract under which the assignment or transfer of funds is made, the exact amount of funds to be assigned or transferred, and specific identification information regarding the assignee (full name of the person or company), address and any other contact information.

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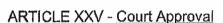
Seller acknowledges and agrees that PREPA may deduct any amount, due or payable under this Contract, that Seller owes; PREPA may retain any said amount if Seller fails to fulfill its obligations and responsibilities under this Contract, or a claim arises for warranty or defects regarding the services rendered or goods provided under this Contract. Seller also acknowledges and agrees that PREPA's payment obligation under any assignment of funds will cease upon payment of the outstanding amounts under this Contract. PREPA shall not be required to make payments or transfer any funds for an amount that exceeds the payment to which Seller is entitled to under this Contract.

Seller's aforementioned notice of assignment of funds shall be accompanied by a cashier's check or money order payment of two hundred dollars (\$200), payable to "Puerto Rico Electric Power Authority", for administrative costs for processing said assignment.

ARTICLE XXIII - Separability

If a court of competent jurisdiction declares any of the Contract provisions as null or invalid, such holding will not affect the validity and effectiveness of the remaining provisions of the Contract and the parties agree to comply their respective obligations under such provisions not included by the judicial declaration.

ARTICLE XXIV - Compliance with Act of October 30, 1975, No. 18, as amended PREPA shall make any and all filings and certifications as may be required of PREPA by law or administrative regulation for this Contract to become effective and enforceable. The demand of the obligations of either Party under this Contract will be subject to the filing of the Contract at the Office of the Comptroller of the Commonwealth of Puerto Rico, in compliance with the Act of October 30, 1975, No. 18, as amended. All such filings and certifications shall be made within the time periods specified there for and PREPA shall notify Seller as soon as such filings and certifications are made.



PREPA shall not be required to obtain approval of this Contract by the District Court in PREPA's Title III case or the Oversight Board, and represents and warrants that no such approval is required, provided, however, that (x) if PREPA (or the Oversight Board on its behalf) seeks Court-approval for any other post-petition contract with a fuel supplier, PREPA shall also do so for this Contract, nunc pro tunc to the Contract's effective date, and (y) the fact that District Court approval may occur does not reflect either party's or the Oversight Board's belief that such court approval is necessary to obtain administrative expense and priority, or any of the other provisions contained in this Contract.

ARTICLE XXVI - Mandatory Clauses pursuant Act 3-2017 and Circular Letter 144-77

Both parties acknowledge and agree that the services herein contracted may be provided to another entity of the Executive Branch which enters into an interagency agreement with PREPA or by direct disposition of the Secretariat of Government. These services will be provided under the same terms and conditions set forth in this Agreement with

respect to hours of work and compensation. For purposes of this clause, the term "entity of the Executive Branch" includes all agencies of the Government of Puerto Rico, as well as public instrumentalities, public corporations, and the Office of the Governor.

The Secretariat of the Executive Branch shall have the power to terminate this Agreement at any time.

ARTICLE XXVI - Entire Agreement

This Contract together with its Exhibits A, B, and C constitutes the entire agreement of the parties as to the subject matter, however, should there be any difficulty or differences in understanding, interpreting, or applying its terms, the parties shall look for guidance and directives within the terms and conditions according to the contract between Administración de Servicios Generales (ASG) and TotalEnergies Marketing PR Corp., dated April 1,2020.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be duly executed as of August 31, 2022 in San Juan, Puerto Rico.

PUERTO RICO ELECTRIC POWER

AUTHORITY

Josué A. Colón Ortiz Executive Director

Social Security 660-43-3747

TOTALENERGIES MARKETING

PUERTO RICO, CORP.

8BC69C8382A7420

Mónica García

Commercial Sales and Specialties Director

Social Security 66-0486878

GASOLINE ESCALATOR FORMULA SAMPLE CALCULATION NYMEX SETTLEMENT

	(\$ per gallon)			
DATE	NYMEX RBOB (gas)	NYMEX ULSD diesel		
09/01/14	1.2700	1.2391		
09/02/14	1.2830	1.2604		
09/03/14	1.2905	1.2510		
09/04/14	1.2965	1.2467		
09/05/14	1.2841	1.2080		
Average (Escalator)	1.28482	1.24104		

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Differential + applied taxes are added to Average Escalator in order to get the final price per gallon for each fuel type.

EXHIBIT B

INVOICE TRANSACTION RECORD LAYOUT

Field (Column)	Field Type	Description
Record Number	Text	Unique record number for each transaction
Transaction Date	Date	Date in which the transaction was made
Transaction Time	Time	The hour of the day when the transaction was made
Card Number	Text	Card number
Name on Card	Text	Name on the card
Employee Number	Text	Employee Number
Gas Station Number	Text	The unique number assigned to the gas station
Gas Station Name	Text	Gas station name
Gas Station Location	Text	The municipality where the gas station is located
Vehicle Number	Text	PREPA's vehicle number
Vehicle Plate	Text	PREPA's vehicle plate number
Vehicle Mileage	Text	Mileage of the vehicle at time of transaction
Product	Text	Purchased product (Gasoline or Diesel)
Quantity	Number	Quantity purchased
Unit Price	Number	Unit price
Amount Claimed	Number	Amount claimed for the transaction
Clamed Period	Date	The month of the claimed period
Invoice Month	Date	The month when the invoice was issued
Invoice Number	Text	Invoice number for the claimed period

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Contractor Certification Requirement

The following certification shall be provided to the Oversight Board and the Commonwealth's Contracting Government Entity by the Chief Executive Officer (or equivalent highest rank officer) of each proposed contractor under contracts submitted for review:

1. The expected contractor's subcontractor(s) in connection with the proposed contract¹ is (are) the following:

(Name of individual or firm, including names of principals, principal stakeholders, and owners of the latter)

(Principal terms and conditions of the contractual relation and role of the subcontractor) $\ensuremath{\mathsf{N/A}}$

(Amount of proposed contract payable to each subcontractor) N/A

2. Neither the contractor nor any of its owners², partners, directors, officials or employees, has agreed to share or give a percentage of the contractor's compensation under the contract 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, principal stakeholders, and owners of the latter)

N/A

(Principal terms and conditions of the compensation sharing arrangement and consideration for such benefit)

N/A

- 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

¹As used herein, the term "contract" is inclusive of any amendments, modifications or extensions.

²For purposes of this certification, a contractor's "owner" shall mean any person or entity with more than a ten percent (10%) ownership interest in the contractor.

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 contract (such as the execution of a subcontract with contractor, beneficial treatment under the contract, or the written or unwritten promise of a gift, favor, or other monetary or non-monetary benefit).

- 5. Neither the contractor, 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 contract, in contravention of applicable law.
- 6. Any incorrect, incomplete or false statement made by the contractor's representative as part of this certification shall cause the nullity of the proposed contract and the contractor must reimburse immediately to the Commonwealth any amounts, payments or benefits received from the Commonwealth under the proposed contract.

The above certifications shall be 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: Vincent Ancelly

Finance Director

TotalEnergies Marketing Puerto Rico, Corp.

Date: August 29, 2022

Signature:

		CAM	BIO DE PREC	IOS ASG	- BASED	州 相人则底x	Life Street Control		
		RUL			PUL.		ADO		
Date	Low	High	gvA	Low	High	Avg	Low	High	Avg
Mon 03-Jan-22		1	\$2,2565		E - 3/4/4	\$2.2565			\$2.357
Tue 04-Jan-22			\$2.2763			\$2.2763			\$2.409
Wed 05-Jan-22	di ä		\$2.2921			\$2.2921			\$2.446
Thu 06-Jan-22			\$2.3043			\$2.3043			\$2.477
Fri 07-Jan-22			\$2,2989		i i	\$2,2989			\$2,4818
Sal 08-Jan-22	2 28						100		
Sun 09-Jan-22	8								
Average cag			228,5620			228,5620			243.4500
Diferencial cag	-	NAT SHOW	37.0000			49.0000			37.5000
Arbitrio		18.0000			16.0000			4.0000	
Crudita			36.9048			36,9048			22.0240
Oli Splil			0.2143			0.2143			0.2143
Price cag			318.6811			330.6811	- Africano de Carres de Ca	01.072.2007.0877.06	307.1883
Price x Ltr		\$0.8419			\$0.8736			\$0.8115	
Price x GI		\$3.1888			\$3.3068			\$3.0719	
Viegues + \$0.20 of Transp - Ltr.		\$0.8947			\$0.9264			\$0,8643	
Vioques +50,20 of Yransp - Gl		\$3,3868			\$3,5068			\$3.2719	





Notificación #: 95

95 Aumentar en 1 cada vez que se haga cambio.

Fecha efectividad: Desde

1/10/2022 Comienzan lunes de cada semana

Hesta 1/16/2022

1/15/2022 Termina los domingos de cada semana (+ 6).

EFECTIVO El miercoles 1ro de abril de 2020. SE FIRMO NUEVO CONTRATO CON ASG.

Fara fines de la formula de precio se utilizara como base en el nuevo contrato NYMEX de 5 días de somana aterior.

Se repite NYMEX de dia anterior para dias de fiesta en que no se publica indicador.

DocuSign

Certificate Of Completion

Envelope ld: BB569E8521C74D5EA8F705C6ADB39281

Subject: Please DocuSign; Contrato ASG 2020.pdf

Source Envelope:

Document Pages: 40

Signatures: 0 Initials: 19

Certificate Pages: 1

AutoNav: Disabled Envelopeld Stamping: Disabled

Time Zone: (UTC-08:00) Pacific Time (US & Canada)

Status: Completed

Envelope Originator:

Monica Garcia

monica.garcia@totalenergies.pr

IP Address: 70.45.49.140

Record Tracking

Status: Original

8/31/2022 4:18:07 PM

Holder: Monica Garcia

monica.garcia@totalenergles.pr

Location: DocuSign

Signer Events

Monica Garcia

monica.garcia@totalenergies.pr General Trade & Specialties Director TotalEnergies Marketing Puerto Rico

Security Level: Email, Account Authentication

(None)

Signature

Ma

Signature Adoption: Uploaded Signature Image

Using IP Address: 70.45.49.140

Timestamp

Sent: 8/31/2022 4:18:50 PM Viewed: 8/31/2022 4:18:58 PM Signed: 8/31/2022 4:21:45 PM

Freeform Signing

Electronic Record and Signature Disclosure: Not Offered via DocuSign

In Person Signer Events

Signature

Timestamp

Editor Delivery Events

Status

Timestamp

Agent Delivery Events

Status

Timestamp

intermediary Delivery Events

Status-

Timestamp

Certified Delivery Events

Status

Timestamp

Carbon Copy Events

Status

Timestamp

Witness Events

Signature

Timestemp

Notary Events

Signature

Timestamp

Envelope Summary Events

Envelope Sent Certified Delivered Signing Complete Completed Status

Hashed/Encrypted Security Checked Security Checked Security Checked Timéstamps

8/31/2022 4:18:50 PM 8/31/2022 4:18:58 PM 8/31/2022 4:21:45 PM 8/31/2022 4:21:45 PM

Payment Events

Status

Timestamps

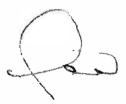


GOBIERNO DE PUERTO RICO ADMINISTRACIÓN DE SERVICIOS GENERALES SAN JUAN, PUERTO RICO

CONTRATO ASG NÚM. 2020-000 151

CONTRATO PARA LA ADQUISICIÓN DE COMBUSTIBLE Y SERVICIOS RELACIONADOS PARA LAS AGENCIAS Y DEMÁS INSTRUMENTALIDADES DE LA RAMA EJECUTIVA, CORPORACIONES PÚBLICAS Y MUNICIPIOS DEL GOBIERNO DE PUERTO RICO

	DE LA PRIMERA PARTE: LA ADMINISTRACIÓN DE SERVICIOS GENERÁLES, representada en este acto por Ottmar J. Chávez Piñero, mayor de edad, casado y vecino de Guaynabo, Puerto Rico, quien comparece en su carácter de Administrador y en vinud de las facultades que le confiere el Artículo 11, incisos (i) y (o) de la "Ley de la Administración de Servicios Generales para la Centralización de las Compras del Gobierno de Puerto Rico de 2019", Ley Núm.73-2019, según enmendada, de aqui en adelante denominada como "LA ADMINISTRACIÓN".
Ma	DE LA OTRA PARTE: TOTAL PETROLEUM PUERTO RICO CORP., una corporación organizada y existente bajo las leyes del Estado Libre Asociado de Puerto Rico, representada en este acto por Luis Lladó, mayor de edad, casado y vecino de Guaynabo, Puerto Rico, quien comparece en su carácter de Director de Red de Estaciones y está autorizado en el Registro Único de Licitadores (en adelante denominado como el "RUL"), a comparecer a este acto y suscribir contratos (en adelante denominada como la "CORPORACIÓN").
	Manifiestan las PARTES estar legalmente capacitadas para otorgar el presente contrato y en sul virtud libremente:
ıl.	EXPONEN-
p.	PRIMERO: Que la ADMINISTRACIÓN celebró el RFP 19-073-C y en la Propuesta para la Adquisición de Aceites y Lubricantes, Servicio de Lavado de Vehículos de Motor y Servicio de Cambio de Aceite y Filtro para fa Flota de Vehículos de las Agencias del Gobierno de puerto Rico, Municipios y Corporaciones Públicas (Propuesta), sometida por la CORPORACIÓN, para establecer "Contrato para la Adquisición de Combustible para las Agencias, Corporaciones Públicas y Municipios del Gobierno de Puerto Rico", mediante la cual se le otorgó a la CORPORACIÓN la buena pro para proveer combustible a la flota de vehículos de la Rama Ejecutiva, las Corporaciones Públicas y los Municipios del Gobierno de Puerto Rico. Se unen y se hacen formar parta integral de este contrato, como Aneio L todos los documentos que forman parte del RFP de la referencia, entre los que se incluyen, pero no se limitan a la Invitación, sus enmiendas, el Aviso de Adjudicación de RFP y la propuesta de la CORPORACIÓN
	SEGUNDO: LA ADMINISTRACIÓN, de conformidad con los poderes y facultades que le confiere la citada Ley Núm. 73, tieno la facultad de obtener servicios, mediante contrato, de personal técnico, profesional o altamente especializado, o de otra índole, que sea necesario para llevar a cabo tas functones de la Administración, además de otorgar contratos y ejecutar los demás instrumentos necesarios al ajercicio de sus poderes.
	TERCERO: Que la ADMINISTRACIÓN certifica que los servicios objeto de este contrato son estrictamente necesarios, en beneficio del servicio público y no pueden ser provistos internamente por la Agencia,
	CUARTO: Que la CORPORACIÓN representa y garantiza que cuenta con la capacidad y experiencia necesaria para cumplir con las obligaciones y responsabilidades que asume mediante este contrato.
	QUINTO: Que los acuerdos específicos a los que han llegado las PARTES para otorgar el presente contrato, están contenidos en los términos y condiciones que conforman el RFP 19-073-Cy en la Propuesta sometida por la CORPORACIÓN, las cuales se hacen formar parte integnal de este contrato y la CORPORACIÓN se ratifica en su compromiso de cumplir con todos los términos, según adjudicados. No obstante, para conveniencia de las PARTES a continuación se incluyén las siguientes:



-----CLÁUSULAS Y CONDICIONES-

PRIMERA: Este contrato cubrirá a todas las agencias, corporaciones públicas y demás entidades gubernamentales del Gobierno de Puerto Rico. Asimismo, podrá ser utilizado por los municipios que quieran acogerse al mísmo, siempre y cuando medie la previa autorización por escrito de la ADMINISTRACIÓN. Disponiéndose, que la CORPORACIÓN no podrá negarse a vender los productos o a ofrecer los servicios objeto de este contrato a las entidades gubernamentales, estatales o municipales, debidamente autorizadas por la ADMINISTRACIÓN para acogerse a este contrato.

SEGUNDA: La CORPORACIÓN no podrá vender los productos o prestarle servicios a ninguna entidad gubernamental, estatal o municipal, sin la previa autorización por escrito de la ADMINISTRACIÓN para el uso de este contrato producto o del RFP 19-073-C.

- Los precios cotizados por la CORPORACIÓN incluyen los arbitrios, gastos de transportación y acarreo hasta laentrega final de los productos en el lugar que designe la entidad gubernamental peticionaria, libre de cargo para el Gobierno.
- 2. El diferencial ofrecido por la CORPORACIÓN se mantendrá fijo durante la vigencia del presente contrato y no estará sujetos a cambios por aumentos en el mercado o de cualquier otra índole, ya sean previsibles o no.
- La CORPORACIÓN tendrá que acompañar con su factura el detalle de los precios diarios utilizados
 para colocar el precio promedio en el cual basó los precios facturados a la ADMINISTRACIÓN y un
 enlace a la información con el detalle provisto por Nymex.
- 4. La oferta de gasolina y diésel al detal y al por mayor se limita a indicar cuánto es la ganancia fija de la CORPORACIÓN sobre la base Platts Pipeline, Waterborne o Nymex Report, Para ello la CORPORACIÓN utilizó el formulario titulado Tabla de Cotizar, que contiene la fórmula aquí indicada: Platts Pipeline, Waterborne o Nymex Report, más dos (2) centavos de reembolso a la ADMINISTRACIÓN por cada galón vendido, más los impuestos y arbitrios más la ganancia.

CUARTA: La CORPORACIÓN venderá al detal y al por mayor (bulk) los servicios y productos objeto de este contrato. La CORPORACIÓN podrá implementar el servicio de la tarjeta de flota de vehículos Total Pass en todas las entidades gubernamentales y municípios del Goblerno de Puerto Rico, si así lo decide la ADMINISTRACIÓN, y provecrá hasta 20,000 tarjetas anuales libre de cesto. El "set-up" e implementación inicial del cambio de la ADMINISTRACIÓN al programa de "Total Pass" no tendrá costo alguno. El cambio al programa conlleva un cargo de \$0.009 por galón para los 3 productos.

QUINTA: El combustible servido por la CORPORACIÓN tendrá que cumplir con los requisitos de la ASTM para el clima de Puerto Rico.

SEXTA: La CORPORACIÓN se compromete a prestar los servicios en sus facilidades, excepto en el caso de las compras de gasolina y diésel al por mayor (bulk), las cuales la CORPORACIÓN despachará a través de toda la Isla en los lugares que las entidades gubernamentales le requieran.

SÉPTIMA: La CORPORACIÓN tendrá que realizar las entregus de combustible en camiones debidamente sellados, certificados y con choferes y ayudantes certificados en HAZMAT (Hum-126). Además, los camiones que utilice la CORPORACIÓN tienen que tener los equipos necesarios para controlar derrames en el área de despacho.

OCTAVA: La CORPORACIÓN tendrá la obligación de ofrecer adiestramientos al personal de las agencias gubernamentales sobre: productos, plan de emergencias, plan de derrame, entre otros.

NOVENA: La CORPORACIÓN vendrá obligada a cumplir con la Ley Núm. 22-2000, según onmendada, con la Ley Núm. 109 de 28 de junto de 1962, según enméndada, con el Reglamento pare la Seguridad en al Transporte, el Reglamento de Materiales Peligrosos, así como con toda otra reglamentación emitida por el Negociado de Transporta y niros Servicios Públicas de Puerto Rico y la funta de didad Ambiental, que sea aplicable.

DÉCIMA: La CORPORACIÓN vendrá obligada a representar que hará todas las gestiones pertinentes

Ja.





y que estén a su alcance para tener, al menos, una estación de combustible comercial en todos los municipios de la Isla, incluyendo Vieques y Culebra. Los precios en relación con las estaciones de Vieques y Culebra varían, según se detalla en la oferta presentada por la CORPORACIÓN y que forman parte del presente contrato.

DÉCIMA PRIMERA: Se incluye en el presente contrato el listado de pueblos, por Región, que forman parte del presente contrato:

- 1. Región I San Juan: Río Piedras, Trujillo Alto, Carolina, Lolza y San Juan, -----
- Región 2 Arecibo: Barceloneta, Ciales, Florida, Hatillo, Manatí, Morovis, Utuado,
 Vega Alta, Vega Baja y Arecibo.
- 3. Región 3 Aguadilla: Aguada. Camuy, Isabela, Lares, Moca, Quebradillas, Rincón,
 San Sebastián y Aguadilla.
- Región 4 Mayagüez: Añasco, Cabo Rojo. Guânica. Hormigueros, Lajas, Las Marias, Maricao, Sabana Grande, San Germán y Mayagüez.
- 5. Región 5 Ponce: Adjuntas. Guayanilla. Jayuya, Juana Diaz. Orocovis. Peñuelas. Villalba, Yauco y Ponce.
- Región 6 Guayama: Albonito. Arroyo. Barranquitas, Cayey. Cidra. Coamo. Maunabo. Patillas, Salinas, Santa Isabel, Yabucoa y Guayama.
- 7. Humacao: Caguas, Ceiba, Fajardo, Gurabo, Juncos, Las Piedras, Luquillo, Naguabo.
 Río Grande, San Lorenzo y Humacao.
- 8. Bayamón: Agues Buenas, Cataño, Comerlo, Corozal, Guaynabo, Naranjito, Toa Baja, Toa Alta y Bayamón.

DÉCIMASEGUNDA: La CORPORACIÓN sometió la Propuesta para la Adquisición de Aceites y Lubricantes. Servicio de Lavado de Vehículos de Motor y Servicio de Cambio de Aceite y Filtro para la Flota de Vehículos de las Agencias del Gobierno de puerto Rico, Municipios y Corporaciones Públicas y se hace formar parte de este contrato como el ANEJO IV.

DÉCIMOTERCERA: El retraso de los pagos por parte de la ADMINISTRACIÓN no será fundamento para que la CORPORACIÓN interrumpa el despacho de combustible. De ocurrir la interrupción del servicio, se entenderá que la CORPORACIÓN tra incumplido con esta clássula y la ADMINISTRACIÓN podrá adquirír el blen a través del mecanismo de Compra Excepcional, con el efecto de que la diferencia en precio la pagará la CORPORACIÓN. No obstante, en la medida en que la ADMINISTRACIÓN haya excedido la cantidad de pagos vencidos por dos millones de dólares (\$2.000,000.00) o más bajo este contrato, la CORPORACIÓN tendrá el derecho a suspender el despacho, excepto en lo relacionado a las entregas (bulk sales), habiendo mediado notificación escrita concediendo treinta (30) días para efectuar pagos que reduzcan la cantidad adeudada por debajo del límite de \$2,000,000.00 vencidos. Entendiéndose que si la CORPORACIÓN suspende el servicio bajo estas condiciones no será responsable de pagar la diferencia en precio si la ADMINISTRACIÓN decidiese adquirir el pien mediante el mecanismo de Compra Excepcional.

DÉCIMOCUARTA: Las PARTES acuerdan que el límite de crédito para el presente contrato es de diez millones de dólares (\$10,000,000,00). Este límite de crédito no altera ni modifica los términos de pago establecidos en este contrato y sus anejos, los cuafes continúan vigentes. No obstante, lo anterior, las PARTES acuerdan que una vez el consumo de combustible por parte de las entidades que se sirven por medio de la ADMINISTRACIÓN incremente en un treinta porciento (30%) o más durante tros (3) meses consecutivos el límite de crédito aumentará.

DÉCIMOQUINTA: Los servicios objeto del presente contrato serán prestados exclusivamente por la CORPORACIÓN. La CORPORACIÓN no podrá subcontratar, ceder ni traspasar los servicios objeto de este contrato sin la autorización previa y expresa de la ADMINISTRACIÓN.

DECIMOSEXTA: La CORPORACIÓN hace constar que a la fecha de la firma de este contrato no recibe pagos o compensación de otra entidad pública como funcionario o empleado público. Se aciara que, de prestar servicios, de cualquier clase, en algún momento, los mismos no podrán estar en conflicto, ser iguales o semejantes a los que se establecen en este contrato.

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DÉCIMOSÉPTIMA: VIGENCIA: Para asegurar la continuidad del servicio. este contrato tendrá vigencia desde el de de de 2020_hasta el 1 de noviembre de 2022. Sin embargo, dicha vigencia estará sujeta a la disponibilidad de fondos en la cuenta asignada para el pago de los servicios. En cuyo caso, la ADMINISTRACIÓN podrá resolver el contrato en cualquier momento, sin justa causa, previa notificación a la CORPORACIÓN, con treinta (30) días de anticipación a la contrato en cualquier momento, sin justa causa, previa notificación, se dispone, además:

- El contrato pudiera ser renovado por un término adicional de seis (6) meses, previa autorización de la ADMINISTRACIÓN, bajo los mismos términos y condiciones del contrato original. La CORPORACIÓN será informada per escrito de la intención de renovación por parte de la ADMINISTRACIÓN con anticipación a la fecha de vencimiento.
- No obstante, lo anterior, la ADMINISTRACIÓN podrá dar por terminado
 este contrato inmediatamente y será relevada de cualquier obligación
 adicional y sin que dicha terminación pueda considerarse incumplimiento
 de contrato por parte de la ADMINISTRACIÓN, cuando ocurra alguna de
 las siguientes circunstancias:
 - A. Cuando la CORPORACIÓN incurra en negligencia, abandono de deberes, o incurra en incumplimiento de las condiciones del contrato.
 - B. Cuando la CORPORACIÓN incurra en conducta impropia, o actuación que vaya en contra de la Ley. la morat, la seguridad o el orden público.
 - C. Cuando la terminación de este contrato sea necesaria para la protección del interés público.
 - D. Cuando la CORPORACIÓN no colabore ni coopere con las auditorías e investigaciones que se inicien pór parte de la ADMINISTRACIÓN, la Oficina de la Inspectora General, el Departamento de Justicia, la Oficina de Ética Gubernamental o cualquier entidad estatal o federal con autoridad para investigar la ejecución y el cumplimiento con la ley o reglamentos aplicables a esta relación contractual tras un referido de la ADMINISTRACIÓN o si dichas entidades, a iniciativa propia, inician cualquier investigación o auditorio.
 - E. Bajo un estado de emergencia fiscal o presupuestarão bajo el cual sea necesario, por determinación de la ADMINISTRACIÓN, proteger el interés público o perjuicio al Gobierno de Puerto Rico.
 - F. Cuando la CORPORACIÓN o cualquier presidente, vicepresidente, director, director ejecutivo, o miembro de una junta de oficiales o junta de directores, o personas que desempeñen funciones equivalentes para la CORPORACION ha sido convicta o se ha declarado oulpable, en la jurisdicción estatal o federal, de cualquiera de los delitos enamerados en la Sección 6.8 de la Loy 8-2017, según enmendada, conteida como "Ley Administración y Transformación de los Recursos Humanos en el Gobierno de Puerto Rico", o por cualquiara do los delitos contenidos en la Ley Núm. 2-2018, según enmendada; o por los Artículos 4:2, 4.3 o 5.7 de la Ley 1-2012, conocida como "Ley Orgánica de la Oficina de Édica Gubernamental"; o por infracción a alguno de los delitos graves contenidos en los Artículos 250 al 266 de la Ley 146-2012, según enmendada, conocida como "Código Penal de Puerto Rico"; o por cualquier otro delito grave que involucre el mal uso de los fondos o proojedad oública.
 - G. Cuando contra la CORPORACIÓN o cualquier presidente, vicepresidente, director, director ejecutivo o miembro de su Junta de

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- Oficiales o Junta de oficiales o directores, o persona que desempeñen funciones equivalentes para la CORPORACIÓN, se determine causa probable para el arresto por cualquier delito contra el crario, la fe y la función pública, contra el ejercicio gubernamental; o que involucre fondos o propiedad pública, en el ámbito federal o estatal, según antes indicado.
- H. Cuando la CORPORACIÓN incumpla con su deber de informar continuamente, durante todas las etapas de contratación y ejecución de este contrato, sobre las circunstancias mencionadas en los incisos (e) y (f) que anteceden.
- 3. La CORPORACIÓN renuncia a presentar la defensa de enriquecimiento injusto en caso de que se comprobase que la CORPORACIÓN ha certificado falsamente o con error la información sobre su situación contributiva. La CORPORACIÓN reconoce que la veracidad y corrección de la información que ha certificado es un elemento esencial al otorgamiento de este contrato por la ADMINISTRACIÓN.
- 4. La CORPORACIÓN entiende y reconoce con su firma que LA ADMINISTRACIÓN no viene obligado al reembolso de ningún tipo de gastos que soan incurridos por la ADMINISTRACIÓN con relación a los servicios. ...
- 5. La CORPORACIÓN acuerda relevar y exonerar de responsabilidad e indemnizar a LA ADMINISTRACIÓN por todos los costos o gastos de cualquier naturaleza (incluyendo honorarlos de abogado) en que ésta incurra y que se originen o surjan con relación a reclamaciones de terceras personas por daños personales, incluyendo la muerte, o por daños a la propiedad, pero cuyos daños hayan sido ocasionados por acciones u omisiones de la CORPORACIÓN en el cumplimiento o incumplimiento de sus obligaciones bajo el Contrato, Además, releva de responsabilidad de cualquier daño que pueda ocasionar la CORPORACIÓN o sus empleados, asociados, agentes o representantes, a cualquier tercera persona, natural o jurídica. Esta exoneración y relevo se interpretará de la forme más favorable a LA ADMINISTRACIÓN, e incluye el relevo del pago de cualquier sentencia, sa como los gastos de liúgio, intérceses y honorarios de abogado.
- 7. EL CONTRATISTA mantendrá todos los informes, hojas de trabajo y demás documentos relacionados con sus servicios para ser examinados o copiados por la Oficina del Contralor de Puerto Rico, la Junta de Supervisjón y Administración Financiera para Puerto Rico, la Autoridad de Asesoria Financiera y Agencia Fiscal de Puerto Rico (AAFAF) en sus intervenciones o cualquier otra entidad reguladora gubernamental estatal o federal. Dichos documentos deberán mantenerse por un período no menor de seis (6) años o hasta que se efectúe una intervención por la Oficina del Contralor. Jo que ocurta primero.
- EL CONTRATISTA, con su firma en este contrato, certifica que ni la empresa ni sus directores, oficiales, accionistas, socios, miembros de Junta de Oficiales o Directores, principales, substituiras o contratistas matrices tienen pleitos contra el Gobierno de Puerto Rico y/o sus funcionários.

DÉCIMOCTAVA: El pago por concepto de los servicios prestados mediante este contrato se efectuará con cargo a la CIFRA DE CUENTA 431-0310000-787-2020 o cualquier otra partida presupuestaria designada para estos fines. Los desembolsos por servicios prestados y facturados bajo este contrato estarán sujetos en todo momento a la disponibilidad de los fondos asignados y debidamente certificados.

DÉCIMONOVENA: El pago por los servicios prestados se efectuará previa presentación por la CORPORACIÓN de una factura, en original y tres (3) copias, durante los primeros diez (10) días del mes siguiente al mes de facturación. Cada factura deberá detallar

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específicamente el número de factura, el número de contrato, los servicios brindados, costo, cantidad, período cubierto y deberá incluir copia del Nymex Report en el cual la CORPORACIÓN basó sus preclos. Además, contendrán una certificación, sin la cual no se pagará la factura, y que lecrá como sigue:

Bojo pena de nutidad absoluta, certifico que ningún servidor público de la Administración de Servicios Generales es parte o tiene algún interés en las ganancias o beneficios producto del contrato objeto de esta factura, y de ser parte o tener interés en las ganancias o beneficias producto del contrato ha mediado una dispensa previa La única consideración para symitalstrar los bienes o servicios objeto del contrato ha sido el pago acordado con el representante autorizado de la agencia. El importe de esta factura es justo y correcto. Las servicios han sido realizados y no pagados. ——

- 1. Las facturas deberán ser sometidas para pago no más tarde de los primeros diez (10) dias del mes siguiente al cual se rindieron los servicios. Conforme a la Carta Circular 1300-22-18, todas las facturas deberán ser registradas en el Registro de Facturas en Linea. El. CONTRATISTA igualmente deberá presentar las facturas en papel no más de diez (10) días luego de terminado el período o fecha de entrega del bien o servicio, según las disposiciones de la Carta Circular 1300-02-10 del 14 de julio de 2009.
- 2. La CORPORACIÓN será responsable de calcular correctamente el importe de la factura que presente a la ADMINISTRACIÓN, quien velará que dicha factura se ajuste a los términos y condiciones de este contrato. A tales fines, la CORPORACIÓN acepta que, antes de proceder con el pago, la ADMINISTRACIÓN revisará, evaluará y auditará cada factura en un término que no excederá de diez (10) días laborables. Si la ADMINISTRACIÓN entiende que la factura no refleja los servicios readidos o no es aceptable tal como fluera sometida, le informará a la CORPORACIÓN inmediatamente las objeciones o deficiencias detectadas para que éste las explique o corrija. La CORPORACIÓN deberá someter inmediatamente una factura enmendada que atienda o explique las objeciones o deficiencias detectadas e informadas por la ADMINISTRACIÓN. De la ADMINISTRACIÓN encontrar la factura adecuada, la aprobará y procesará para pago. Disponiêndose que los servicios facturados se pagarán una vez los fondos sean liberados por el Departamento de Hacienda.
- 3. La ADMINISTRACIÓN no pagará intereses por atrasos o por concepto de

VIGÉSIMA: FIANZA: La CORPORACIÓN prestará una Fianza de Ejecución (Performance Bond) por la cantidad de unos quinientos mil dólares (\$500,000,00),------

VIGÉSIMOPRIMERA: RCUBPLIMIENTO: Si la CORPORACIÓN incumpliera con cualquiera de los términos y condiciones de este contrato, la ADMINISTRACIÓN cancelará el mismo inmediatamente, ejecutará la Fianza de Ejecución (Performance Bond) y podrá excluir a la CORPORACIÓN del Registro Único de Licitadores (RUL) pór un termino no menor de un (1) año y no mayor de tres (3) años, conforme a lo establecido en el "Reglamento de Adquisición de la Administración de Servicios Generales". Reglamento Núm. 3381, según enmendado, y en el "Reglamento del Registro Único de Licitadores", Reglamento Mim. 3182 de 20 de abril de 2012, según enmendado. La ADMINISTRACIÓN se reserva, además, el derecho de aplicar cualesquiera otras sanciones según establecidas en los reglamentos aplicables.

- A. Si la CORPORACIÓN incurre en incumplimiento de entrega de mercancia o servicios, se le aplicará un cargo de cinco por ciento (5%) del importe de la Orden de Compta emitida por cada día de atraso que transcurra, sin que constituya una renuncia a cualquier otro procedimiento que en derecho proceda. Sé entiende que ha habido atraso cuando el suplitidor no cumpla con la fecha de entrega convehida o no cumpla con la fecha de contenta de comienzo de los servicios.
- B. Las penalidades antes señaladas serán impuestas únicamente por la ADMINISTRACIÓN, previa investigación de los hechos, mediando comunicación y dando a la CORPORACIÓN a oportunidad de ser escuchada, ----

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VIGÉSIMO SEGUNDA: A la CORPORACIÓN no se le efectuarán retenciones para fines del Seguro Social Federal, No obstante, la CORPORACIÓN será responsable de pagar estas aportaciones y de rendir sus planifias ante el Negociado de Contribución Sobre Ingresos del Departamento de Hacienda por cualquier cantidad tributable como resultado de los ingresos devengados atenorde este contrato. La ADMINISTRACIÓN notificará al Negociado de Contribución Sobre Ingresos del Departamento de Hacienda los pagos y reembolsos que sean efectuados ala CORPORACIÓN.

VIGÉSIMO TERCERA: LA ADMINISTRACIÓN hará las retenciones aplicables que dispone el Boletín Informativo de Rentas Internas Núm. 18-24 ("BIRI 18-24") de 1 de enero de 2019, a menos que la CORPORACIÓN presente a LA ADMINISTRACIÓN una certificación de relevo total o parcial de retención en el origen sobre pagos por servicios prestados.

VIGÉSIMO CUARTA: La CORPORACIÓN certifica y garantiza que al momento de suscribir este contrato ha cumplido con sus responsabilidades durante los cinco periodos contributivos previos al año natural del otorgamiento de este contrato, incluyendo la radicación de Planillas de Contribución sobre Ingresos, y que no tiene al presente deuda alguna con el Estado Libre Asociado de Puerto Rico, por concepto de contribución sobre ingresos, contribución sobre la propiedad mueble o inmueble o arbitrios, o que se encuentra acogida a un plan de pago cuyos términos está cumpliendo, según aplique. La CORPORACIÓN reconoce que ésta es una condición esencial del contrato y, de no ser correcta la anterior certificación, será causa suficiente para que se deje sin efecto este contrato y la CORPORACIÓN devuelva toda suma de dinero recibida en virtud del mismo.

VIGÉSIMO QUINTA: La CORPORACIÓN certifica que no tiene orden de retención de ingresos activa que lo obligue como patrono bajo la Administración para el Sustento de Menores (ASUME); que no tiene deuda bajo la Ley de Seguridad de Empleo, ni bajo la Ley de Beneficios por Incapacidad Temporal ni bajo la Ley de Seguro Social para Chóferes, según aplique.

VIGÉSIMO SEXTA: La ADMINISTRACIÓN se ha asegurado que la CORPORACIÓN está elegible para la adjudicación de subastas y contratos gubernamentales a su favor. A esos fines, el RUL expidió el Certificado de Elegibilidad número 201900854, con vigencia hasta el 3 de mayo de 2020, el cual se hace formar parte del presente contrato como Aneio III.

VIGÉSIMO SÉPTIMA: Conforme al Artículo 4.2 de la Ley de Ética Cubernamental, Ley Núm. 1-2012, según enmendada, las PARTES certifican que no existe vinculo de parentesco alguno entre ellos y declaran que ningún funcionario o empleado de la ADMINISTRACIÓN o algún miembro de sus unidades familiares tienen, directa o indirectamente, interés pecuniario en las ganancias o beneficios producto de este contrato. Declaran, además, que los servidores públicos que han participado en este contrato ni los miembros de las unidades familiares de estos, no tienen al presente, ni han tenido durante los cuatro años antes de ocupár su corgo, interés pecuniario alguno.

VIGÉSIMO OCTAVA: La CORPORACIÓN certifica que ninguno de sus socios, accionistas, directores tiene parientes dentro del cuarto grado de consanguinidad ni segundo grado de afinidad enta ADMINISTRACIÓN.

VIGÉSIMO NOVENA: La CORPORACIÓN se regirá en todo momento por las normas, procedimientos, requerimientos, condiciones y aportaciones establecidas en las Leyes y Reglamentos Federules y del Gobierno de Puerto Rico aplicable a los asuntos objeto de este contrate.

TRIGÉSIMA: La ADMINISTRACIÓN entrega copia a la CORPORACIÓN de:

- "Código Anticorrupción para el Nuevo Puerto Rico", Ley Núm. 2 2018, según emendada.
- 2. Ley Orgánica de la Oficina de Ética Gubernamental Ley 1-2012, según carmendada.
 - A. La CORPORACIÓN acusa recibo de las mismas mediante la firma de una Certificación a tales efectos.

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La CORPORACIÓN, con su firma en este Contrato, certifica que entiende y reconoce que se compromete a regirse por las disposiciones establecidas en la citada Ley Núm. 1 y en la citada Ley Núm. 2.

TRIGÉSIMO PRIMERA: La CORPORACIÓN certifica que no requiere dispensa legal para el otorgamiento de este contrato. Asimisnio, la ADMINISTRACIÓN certifica el fiel cumplimiento con el Memorando Núm. 2014-005 emitido por el Secretario de la Gobernación y la Carta Circular Núm. 120-14 emitida por la Oficina de Gerencia y Presupuesto el 20 de noviembre de 2014, cnel otorgamiento de este contrato...

TRIGESIMO SEGUNDA: La CORPORACIÓN certifica, a la firma de este contrato, que ni ésta ni ninguno de aus presidentes, vicopresidentes, directores, directores ejecutivos, o miembros de su Junta de Oficiales o Junta de Directores, o persona que desempeñe funciones equivalentes para la CORPORACIÓN, están siendo investigados o han sido convictos o se han declarado culpables, o se les ha encontrado causa probable para el arresto, por delito contra el crario, la fe y la función pública, contra el ejercicio gubernamental; o constitutivos de fraude, malversación o apropiación ilegal de fondos públicos, en el ámbito federal o estatal o en cualquier otro país. Esta es una condición esencial del contrato y, de no ser correcta del todo o en parte la anterior certificación, será causa suficiente.para que la ADMINISTRACIÓN rescinda el contrato inmedialamente y la CORPORACIÓN vendrá obligada a reintegrar a la ADMINISTRACIÓN toda suma de dinero recibida por virtud de este contrato.

La CORPORACIÓN expresamente reconoce su deber de informar a la ADMINISTRACIÓN de manera continua durante la vigencia de este contrato cualquier licelto que se relacione con lo que dispone esta cláusula. Esta obligación es de naturaleza continua durante todas las etapas de la contratación y ejecución del contrato.

TRIGÉSIMO TERCERA: La CORPORACIÓN o su presidente, vicepresidente, director, director ejecutivo, o miembro de una Junta de Oficiales o Junta de Directores, o persona que desempeñe funciones equivalentes para la CORPORACIÓN, no tendrán derecho a los beneficios marginales que se conceden a los empleados gubernamentales.—

TRIGÉSIMO CUARTA: La CORPORACIÓN certifica que su presidente, vicepresidente, director, director ejecutivo, o miembro de una Junta de Oficiales o Junta de Directores, o persona que desempeñe funciones equivalentes para ésta, no reciben compensación como empleados regulares de cualquier agencia, corporación pública, dependencia gubernamental o municipio. También certifica que no son funcionarios ad honorem de ninguna agencia, corporación pública o dependencia gubernamental del Orbierno de Puerto Rico.

TRIGÉSIMO QUINTA: La CORPORACIÓN hace expreso reconocimiento de su deber de no aceptar interés profesional o personal en asunto alguno que resulte en conflicto de intereses con la ADMINISTRACIÓN. Además, la CORPORACIÓN certifica que, al presente, ni ella o su presidente, vicepresidente, director, director ejecutivo, o miembro de una Junta de Oficiales o Junta de Directores, o persona que desempeñe funciones equivalentes para la CORPORACIÓN tiene interés profesional o personal con agencia, corporación pública o dependencia gubernamental del Goblemo de Puerto Rico y municipios, que resulte en conflicto de intereses con el presente contrato ni con la ADMINISTRACIÓN.

TRIGÉSIMO SEXTA: La CORPORACIÓN reconoce que en la prestación de los servicios bajo este contrato tiene un deber de leultad completa hacia la ADMINISTRACIÓN, lo que incluyo el no tener intereses adversos al Gobierno de Puerto Rico. Se entenderán por "intereses adversos" la representación de clientes que tengan o pudieran tener intereses encontrados con la ADMINISTRACIÓN. Se entenderá como "intereses encontrados" cuando en beneficio de un cliente u otra persona, se menoscabe la independencia de criterio en el desempeño de sus funciones o pueda promover aquello a que debe oponerse en cumplimiento de sus obligaciones para con otro cliente anterior, actual

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o potencial. La CORPORACIÓN evitará hasta la apariencia de la existencia de intereses encontrados. El deber de lealtad incluye, además, la obligación continua de divulgar a la ADMINISTRACIÓN todas las circunstancias de sus relaciones con clientes y tercerás personas (excepto cuando esté probido por ley), así como cualquier interés que pudiese influir es la ADMINISTRACIÓN al momento de otorgar este contrato o durante su vigencia.

LuCORPORACIÓN reconoce el poder de fiscalización de la ADMINISTRACIÓN en relación con el cumplimiento de las prohibiciones aquí contenidas. De entender la ADMINISTRACIÓN que existen o han surgido intereses adversos, le notificará por escrito a la CORPORACIÓN sus hallazgos y su intención de resolver el contrato en el término de quince (15) días. Dentro del referido término, la CORPORACIÓN podrá solicitar una reunión con la ADMINISTRACIÓN para exponer sus argumentos sobre la notificación de conflicto, la cual será concedida en todo caso. De no solicitar la reunión en el término mencionado, o de no solucionarse satisfactoriamente la controversia durante la reunión concedida, este contrató quedará resuelto de inmediato. Nada de lo dispuesto en esta cláusula, ni en la precedente, constituye una renuncia a las facultades de la ADMINISTRACIÓN para iniciar los procesos administrativos bajo la citada Ley Núm. 2-2018, ni la autoridad para referir cualquier asunto que entiende necesario a la Oficina de la Inspectora General, la Oficina del Contralor, el Departamento de Justica, o cualquier otro foro estatal o federal con jurisdicción y competencia. La CORPORACIÓN reconoce su responsabilidad de colaborar y cooperar con las auditorias e investigaciones que se inicien tras el referido o si dichas entidades, a iniciativa propia, inician cualquier investigación. Esta es una cláusula esencia del contrato. -

TRIGÉSIMO SÉPTIMA: La CORPORACIÓN reconoce que toda la información o datos suministrados, obtenidos y producidos como parte de los servicios de este contrato serán considerados confidenciales y, como tal su divulgación sin el previo consentimiento escrito de la ADMINISTRACIÓN queda prohibido. La CORPORACIÓN no utilizará, pondrá a la disposición o revelará información confidencial que surja dentro y como resultado de este contrato o que esté refacionada can las actividades presentes.

TRIGÉSIMO OCTAVA: Las cláusulas y condiciones de este contrato son independientes y separadas entre sí. Declarada la nulidad de una o más de las cláusulas o condiciones por un Tribunal o autoridad competente, ello no afectará la validez de las restantes, las cuales continuarán vicentes.

TRIGÉSIMO NOVENA: Este contrato, sus anejos y los documentos que conforman la Subasta 19-073-C constituyen la totalidad de lo acordado entre las PARTES con relación a los servicios a ser prestados bajo el mismo. Cualquier amplenda a este contrato tendrá que ser hecha mediante un escrito firmado por ambas PARTES durante la vigencia del contrato, a tenor con las necesidades de la ADMINISTRACIÓN, y sujeto a la disponibilidad de fondos para la ejecución de la casatenda.

CUADRAGÉSIMO: Este contrato estará regido y deberá ser interpretado de acuerdo con las leyes del Gobierno de Puerto Rico, y cualquier causa de acción que surja de este sólo podrá ser incoada en el Tribunal General de Justicia de Puerto Rico, Sala de San Juan.----

CUADRAGÉSIMO PRIMERA: La CORPORACIÓN se obliga a no ejercer ningún tipo de discrimen contra persona o entidad alguna por molivo de raza, color, sexo, edad, condición social o económica, o creenclas políticas o religiosas, impedimento, identidad de gênero o cualquier otra causa discriminatoria, en la prestación objeto de este contrato,——

CUADRAGÉSIMO SEGUNDA: LEY DE SOSTENIBILIDAD FISCAL Y OPERACIONAL: Las PARTES reconocen y aceptan que este Contrato y su enmienda están sujetos e las disposiciones aplicables de la Ley Núm. 65-2014, según emmendada, "Ley Especial de Sostenibilidad Fiscal y Operacional del Estado Libre Asociado de Puerto Rico"; La Ley Núm. 26-2017, según emmendada, conocida como la "Ley de Cumplimiento con ol Pian Fiscal"; la Ley Núm. 3-2017, conocida como la "Ley para Atender la Crisis Económica, Fiscal y Prestiquestaria para Garantizar el Funcionamiento del Gobierno de Puerto Rico"; squellas cartas circulares y directrices emitidas por la OGP o la AFFAS bajo las citadas leyes y sus respectivas leyes habilitadoras; y lo dispuesto en 2 C.F.R. § 200.326

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and 2 C.F.R. Part 200, Appendix II (Required Contract Clauses). . --

CUADRAGÉSIMO TERCERA: Aunque la CORPORACIÓN está impedida por ley para operar directamente estaciones de combustible conterciales, ésta se compromete a que en esso de emergencia provocada por algún desastre natural o emergencia declarada por la Gobernadora o el Presidente de los Estados Unidos que requiera la activación del componente de manejo de emergencias del Gobierno de Puerto Rico, la CORPORACIÓN harà todas las gestiones immediatas y necesarias con los operadores para que las estaciones que pertenecen a su red de estaciones de combustible continúen proveyendo servicios con prioridad a aquellos funcionarlos gubernamentales que tengan una tarjeta de servicio expedida por la ADMINISTRACIÓN (Fleet Cards).

CUADRAGÉSIMO CUARTA: Todas las comunicaciones relativas al presente contrato deberán constar por escrito, y serán entregados ya sea personalmente, por correo electrónico o por transmisión via facsimile, seguida de carta confirmatoria a las direcciones que se señalan a continuación: ******

A LA ADMINISTRACIÓN:

Atención:

Ottmar J. Chávez Piñero, Administrador

(787) 759-7676 Teléfono: Fax:

(787) 753-6160

Dirección postal: P.O. Box 195568, San Juan, P.R. 00919-5568

E-mail: othnar.chavcz@asg.pr.gov

A LA CORPORACIÓN:

Atención:

Luis Lladó, Director de Red de Estaclones (787) 783-4625 (787) 792-2920 (787) 782-3480

Teléfono: Fax:

Dirección postal: City View Plaza Tower I

48 Road, PR 165 Suite 803

Guaynabo. PR 00968

E-mail:

-----ACEPTACIÓN Y FIRMA-

Las PARTES manifestamos que hemos leido y entendido todo el contenido del presente contrato y expresamos nuestra conformidad con todas las cláusulas y condiciones consignadas en el mismo, aceptándolo en todas sus partes en el mismo día de su otorgamiento, ----

Y PARA QUE ASÍ CONSTE, estampamos nuestras iniciales al margen izquierdo de, cada uno de los folios del contrato y nuestras firmas en la última página de este, en San Juan, Puerto Rico, hoy. _____ de abril de 2020.

ADMINISTRACIÓN DE

SERVICIOS GENERALES

Olange J. Chavez Piñero

Administrador

TOTAL PETROLEUM P.R. CORP.

Luis Llado

Director de Red de Estaciones



TOTAL PETROLEUM PUERTO RICO CORP.

24 de octubre de 2019

Edgardo González Ardín Administrador Auxiliar Área de Operaciones Administración de Servicios Generales Edificio Minillas Hato Rey, Puerto Rico

> Propuesta - Adquisición de Aceites y Lubricantes, Servicio de Lavado de Vehiculos de Motor y Servicio de Cambio de Aceite y Filtro para la Flota de Vehiculos de las Agencias del Estado Libre Asociado de Puerto Rico, Municipios y Corporaciones Públicas.

Estimado señor González Ardín:



Según solicitado, nos place por este medio cotizar para la Adquisición de Aceites y Lubricantes, Servicio de Lavado de Vehículos de Motor y Servicio de Cambio de Aceite y Filtro para la Flota de Vehículos de las Agencias del Estado Libre Asociado de Puerto Rico, Municipios y Corporaciones Públicas. La misma está sujeta a las siguientes condiciones:

PRECIOS DE PRODUCTOS Y SERVICIOS



Los precios de los lubricantes, servicio de lavado de vehículos de motor y servicio de cambio de aceite y filtro serán los expuestos en la Tabla a continuación:

Servicios	Unidad	Precio Cotizado
Levedo exterior e interior pera vehículos livienos y "SUV's" (en estaciones y Total Quartz Rapid Oil Change que ofrezcan el servicto)	UNO	\$29.95
Cambio de Aseite y Filtro. No inoluye aceite sintático y/o fitros originales. Máximo de 5 cuartos por vehículo. Cuartos adicionales se cobrente por separado.	UNO	\$ 35.95
Acelle Lubricente para motores de gasolina y diesel. Viscosidades de SAE 6W20, 5W30,10W30, 10W40, 15W40 Y 20W50. Venta por cuartos.	CUARTO	\$6.95
Aceite de transmision manual y eurtomátice que cumple con las especificaciones API GL-5, GL-4 SAE 80W90, SAE 85W140, DEXRON III. Venta por cuartos.	CUARTO	\$ 6,95

City View Plaza Tower # 1, #48, Road PR-165, Suite 803, Guaynabo, PR 00968 Tel. (787) 783-4626 * (787) 792-2920





TÉRMINOS Y CONDICIONES ADICIONALES

Los términos y condiciones que no estén detallados arriba aplicarán según detallados en la subasta de TPPRC para los servicios de combustible (RFP-19-073-C) la cual fue adjudicada a TPPRC y se encuentra en proceso de firma de contrato.

Agradecemos permitirnos cotizar estos servicios y esperamos nos brinden la oportunidad de continuar brindando a la ADMINISTRACIÓN DE SERVICIOS GENERALES nuestros productos y servicios de excelencia.

Williamo.

Luis Llado 🗷 🗷

Director de Red de Estaciones

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TOTAL PETROLEUM PUERTO RICO CORP.

01 de noviembre de 2019

Edgardo González Ardín Administrador Auxiliar Área de Operaciones Administración de Servicios Generales Edificio Minillas Hato Rey, Puetto Rico

Propuesta - Adquisición de Aceites y Enbricantes, Servicio de Lavado de Vehículos de Motor y Servicio de Cambio de Aceite y Filtro para la Flota de Vehículos de las Agencias del Estado Libre Asociado de Puerto Rico, Municipios y Corporaciones Públicas.

Estimado señor González Ardín:

Según solicitado, nos place por este medio cotizar para la Adquisición de Aceites y Lubricantes, Servicio de Lavado de Vehículos de Motor y Servicio de Cambio de Aceite y Filtro para la Flota de Véhículos de las Agencias del Estado Libre Asociado de Puerto Rico, Municipios y Corporaciones Públicas. La misma está sujeta a las siguientes condiciones:

PRECIOS DE PRODUCTOS Y SERVICIOS

Los precios de los lubricantes, servicio de lavado de vehículos de motor y servicio de cambio de aceite y filtro serán los expuestos en la Tabla a continuación:



Servicios	Unidad	Precio Cotizado *
Lavado exterior e Interior para vahlautos krianos y "BUV's" (en esteriones y Total Chustz Rapid (ili Change que girazcen el servicio).	UNO	\$26.95
Cumbio de Acese y Filmo. Ho incluye acette sintético y/o titros onginales. Máximo de 6 cuartos por vehículo. Cuartos adiotonales en eobrerán por soparado.	UNO	\$38.96
Cambio de Acete y Filtro - acete s'adifico. Ho Incluye titros originales. Máximo de 6 ouarlos por vehículo. Caarlos adicionalos se coprarán por separado.	UNO	\$58.95
Aculto Labricanta mineral para motoras de gascina y classit. Viscosidades de SAE 5W20, 5W30, 10W30, 10W40, 15W40 Y 20W50. Venta por cuartos.	CUARTO	\$8.95
Aceito Lubricante sintético para sectores de gastérie y diesel. Viscosidades de SAE 0W20, 5W20, 5W30, 10W30, Venta por cuartos.	CUARTO	\$8.95
Acelle de transmision mentrel y automática que oumple con les especificaciones API GL-5, GL-4 SAE 50W90, SAE 65W140, DEXRON IR. Vonto por cuertos.	CUARTO	\$8,95
* En estaciones participantes.		

City View Piaza Tower # 1, #48, Road PR-165, Suite 803, Guaynaho, PR 00968 Tal 1787) 783-4658 * 1787) 782-3926





TÉRMINOS Y CONDICIONES ADICIONALES

Los términos y condiciones que no estén detallados arriba aplicarán según detallados en la subasta de TPPRC para los servicios de combustible (RFP-19-073-C) la cual fue adjudicada a TPPRC y se encuentra en proceso de firma de contrato.

Agradecemos permitimos cotizar estos servicios y esperamos nos brinden la oportunidad de continuar brindando a la ADMINISTRACIÓN DE SERVICIOS GENERALES nuestros productos y servicios de excelencia.

Luis Lladó

Director de Red de Estaciones

110





Estado Libre Asociado de Puerto Rico

Administración de Servicios Generales Registro Único de Licitadores

CERTIFICADO DE ELEGIBILIDAD

Fecha de Expedición

Número de Certificado

Fecha de Vencimiento

3-Mayo-2019

201900854

3-Mayo-2020

Nombre del Licitador: TOTAL PETROLEUM PUERTO RICO CORP.

Seguro Social:

Número de Licitador: 4010

Dirección Postal: GPO BOX 362916, SAN JUAN PR, 00936-2916

Teléfono: 7877922920 / 7877498899

Ma

Fax: 7877830407

Email: etienne.fraticelli@tpprc.com

Persona Autorizada a Firmar Oferta	Título que Ostenta		
CARLOS ARROYO	DIRECTOR VENTAS COMERCIALES		
LUIS LLADO	DIRECTOR NETWORK		
THOMAS BOIFFIER	DIRECTOR FINANZAS		

La vigencia de la elegibilidad está sujeta a que en 3-Noviembre-2019 el licitador evidencie su cumplimiento con el inciso E del Artículo 24 Plan de Reorganización Núm. 3 del 21 de noviembre de 2011 presentando la Declaración Jurada requerida por ley. Será responsabilidad de cada Agencia Ejecutiva, Corporación Pública o Municipio validar la elegibilidad del licitador antes de adjudicar cualquier procedimiento de adquisición, órdenes de compra u otorgar contratos.

ADVERTENCIA: Cualquier alteración anula este certificado y podría ser sancionado criminalmente conforme a las disposiciones aplicables del Código Penal de Puerto Rico. Para validar la información en este certificado, favor de acceder al portal https://serviciosenlinea.gobierno.pr/validacionelectronica/ y usar el número de certificado como código de validación.









AVISO DE ADJUDICACIÓN

SOLICITUD DE PROPUESTA (RFP) 19-073-C

PARA ESTABLECER CONTRATO DE OBTENCIÓN DE COMBUSTIBLE PARA TODAS LAS AGENCIAS, CORPORACIONES PÚBLICAS Y MUNICIPIOS DEL GOBIERNO DE PUERTO RICO

La Solicitud de Propuesta (RFP por sus siglas en inglés) Núm. 19-073-C fue considerada por la Junta de Subastas, en su reunión ordinaria celebrada el día 9 de abril de 2019 y se adjudicó de la siguiente forma:

La propuesta del siguiente proponente cumple con los términos, condiciones, requisitos y disposiciones establecidos en la solicitud de propuesta (RFP por sus siglas en inglés), conforme al Plan de Reorganización No. 3 del 21 de noviembre de 2011, según enmendado, y la Orden Administrativa 2019-03 de 28 de noviembre de 2018.

LICITADOR AGRACIADO

Total Petroleum Puerto Rico Corp. (TPPRC) PO Box 362916 Sn Juan 00936-2916 luis.liado@tpprc.com



PARTIDAS ADJUDICADAS

- Combustible en Estación Premium, Regular y Diesel
- Entrega de Combustible a Granel Premium, Regular y Diesel

Su propuesta cumple con las especificaciones, términos y condiciones de la Solicitud de Propuesta (RFP). Su propuesta afrece el mejor valor según establecido en la Sección 4.1 Ronda 1: Evaluación inicial del documento del RFP: "El Gobierno espera otorgar un contrato para los requerimientos descritos en este RFP a aquel proponente que presente el Mejor Valor al Gobierno. La Junta de Subastas evaluará la Hoja de Cálculo de Precios y el Enfoque Técnico y decidirá sobre un escenario de adjudicación."

LICITADOR RECHAZADO

Peerless Oil & Chemicals, Inc. 671 Road 337 Peñuelas, PR 00624-7513 luis.vazquez@peerlessoil.com





PARTIDAS RECHAZADAS

- Combustible en Estación Premium, Regular y Diesel
- Entrega de Combustible a Granel Premium, Regular y Diesel

Su propuesta no cumple con las especificaciones, términos y condiciones de la Solicitud de Propuesta (RFP).

Su propuesta no ofrece el mejor valor según establecído en la Sección 4.1 Ronda 1: Evaluación inicial del documento del RFP: "El Gobierno espera otorgar un contrato para los requerimientos descritos en este RFP a aquel proponente que presente el Mejor Valor al Gobierno. La Junta de Subastas evaluará la Hoja de Cálculo de Precios y el Enfoque Técnico y decidirá sobre un escenario de adjudicación."

ADVERTENCIA

Las partes adversamente afectadas por esta decisión tienen derecho, dentro del término de veinte (20) días calendario, contados a partir del envío por correo electrónico o vía fax de la notificación de adjudicación de subasta, según lo dispuesto en la ley Núm.38 del 30 de junio de 2017, "Ley de Procedimiento Administrativo Uniforme (LPAU)", a presentar una solicitud de revisión ante la Junta Revisora de la Administración de Servicios Generales (en adelante Junta), con copia al Área de Adquisiciones y a los licitadores que participaron en la subasta. La presentación de una solicitud de revisión ante la Junta, tendrá el efecto de paralizar la adjudicación de la subasta impugnada hasta tanto la Junta emita una resolución final o se entienda que el recurso de impugnación ha sido rechazado de plano.

La Junta deberá considerar la moción dentro de los treinta (30) días calendario de haberse presentado. La Junta podrá extender dicho término una sola vez, por un término adicional de quince (15) días calendario. Si se tomare alguna determinación en su consideración, la parte afectada podrá presentar una solicitud de revisión ante el Tribunal de Apelaciones dentro del término de veinte (20) días calendarjo, contados a partir de la fecha en que se depositó en el correo federal copia de la notificación de la resolución de la Junta. Si la Junta dejare de tomar alguna acción con relación a la solicitud de revisión dentro del término correspondiente (30 días calendario) de haberse presentado, se entenderá que ésta ha sido rechazada de plano, y a partir de esa fecha comenzará a correr el término para la revisión judicial ante el Tribunal de Apelaciones.

Las partes adversamente afectadas por la resolución final de la Junta, podrán presentar una solicitud de revisión ante el Tribunal de Apelaciones dentro de un término de veinte (20) días contados a partir de la fecha en que se depositó en el correo federal copia de la notificación de la decisión de la Junta. La mera presentación de una solicitud de revisión ante el Tribunal de Apelaciones no tendrá el efecto de paralizar la adjudicación de la subasta impugnada.

INSTRUCCIONES

El licitador agraciado con la buena pro de la propuesta deberá presentar una Fianza de Ejecución ("Performance Bond") por quinientos mil dólares (\$500,000.00), para poder emitir la orden de compra y/o contrato dentro de un término de diez (10) días de la fecha de envío por correo electrónico o vía fax de este Aviso. De no presentar la fianza dará margen a ejecutar la Garantía de Licitación.

No se considerará al Gobierno comprometido por esta adjudicación hasta que no se emita la correspondiente orden de compra y/o contrato.

CERTIFICO que, hoy 9 de abril de 2019, se ha enviado por correo ordinario a la dirección que figura en las propuestas presentadas, copia fiel y exacta de la adjudicación a los licitadores que sometieron propuestas para la Solicitud de Propuesta (RFP) 19-073-C.

Lcdo. Giovanni M. Morell Jagrossi

Miembro

Sra. Waleska De Jesús Crespo

Miembro

Sr. Orlando Rivera Miembro

Miembro

uillermo Cambi

Presidente

Aviso de Adjudicación RFP Núm. 19-073-C 9 de abril de 2019 "Página 3

Notificado y envíado a todos los proponentes participantes:

NOMBRE DE LA COMPAÑÍA	DIRECCIÓN DE CORREO ELECTRÓNICO	NÚMERO DE FAX
Total Petroleum Puerto Rico Corp. (TPPRC)	luis.llado@tpprc.com	787-749-8846
Peerless Oil & Chemicals	luis.vazguez@peerlessoil.com	787-836-1283

J. C.

A.y A. Da. Iris Y. Rivera Sha

Iris Y. Rivera Sh Secretaria

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GOBIERNO DE PUERTO RICO

Itiene (-187) 505-9162

Autoridad de Energía Eléctrica de Puerto Rico

5 de agosto de 2021

Nuevo	Х
Renovación	
Reevaluar	*

John G. Stone IV Director de Administración de Riesgos

EVALUACIÓN DE SEGUROS CONTRATO 00090074 AMERICAN PETROLEUM CO. INC.

Solicitamos la evaluación de los documentos legales o seguros requeridos en la orden de referencia. Estos necesitan de su aprobación para poder procesar el pago.

Agradeceremos que nos incluyan las fechas de vigencia o efectividad de cada seguro (si aplica) para incluirlas en las pantallas del sistema mecanizado. Esto es imprescindible para que, al momento de procesar las facturas a pago, se comparen con las fechas del servicio (si aplica).

De necesitar información adicional, puede comunicarse con nosotros a través de los teléfonos 3358 y 3400 o visitar nuestra Sección de Verificación en el Tercer Piso del Edificio NEOS. (Actualizar, según aplique)

DOCUMENTOS REQUERIDOS ADJUNTOS

X	Copia del Contrato
X_	Fondo Seguro del Estado
X_	Seguro Responsabilidad Pública General (General Liability)
X_	Seguro Responsabilidad Pública de Auto (Automobile Liability)
X_	Seguro Responsabilidad Patronal (Employer's Liability)
	Seguro Ambiental
	Fianza de Ejecución (Performance Bond)
	Poder del Abogado (Power of Attorney)
	Fianza de Pago (Payment Bond)

Nombre Edwin Barbosa Viera Título HoldCo Fuels Manager



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00090074

Contract Release

Execution Date

7/30/21

Printed

8/2/21

PUERTO RICO ELECTRIC POWER AUTHORITY

Contract

Mail Invoice To:

AUTORIDAD DE ENERGIA ELECTRICA DIVISION DE TESORERIA

P.O. BOX 70253

NAUL NAZ

8253

PR

00936-

Vendor:

AMERICAN PETROLEUM COMPANY INC

PO BOX 2529

TOA BAJA PR 00951-2529

Please Direct Inquiries To:

ANGELICA ROSARIO DAVILA

AROSARIO16128@AEEPR.COM

Title

PROCUREMENT SUPV G3

Phone/Alternate Phone:

787-521-3034

Fax

Work Location:

OFICINA DE COMBUSTIBLES

EDIF. JUAN RUIZ VELEZ

OFICINA 301

AVE. PONCE DE LEON, PDA. 16.5

SANTURCE

PR

00926

Title

ORDEN EMERGENCIA SUPLIDO DIESEL & GASOLINA (MENOR A 999. GALS)

Contract Value

Total Value	\$ 199,000.00 USD 00	** NOT TO EXCEED	**
Pricing Method	ESTIMATE		
Contract Type	SERVICES	Start Date	7/15/21
Project		End Date	7/15/23



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Contract Release

Execution Date

7/30/21

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8/2/21

PUERTO RICO ELECTRIC POWER AUTHORITY

Contract

Signatures

Vendor AuthorAzed Signature

SR. NEFTALI ORTIZ/GERENTE DE VENTAS

Printed Name/Title

4 DE AGOSTO DE 2021

787-444-0148

Date Signed

Phone

nda horain Valle

Authorized Signature

Angélica Rosario Dávila- Supervisora de Compras

Printed Name/Title

2 de agosto de 2021

787-521-4990

Date Signed

Phone

Insurance Requirements

Coverage	Start Date	End Date	Insurance Description
1000000.0	11/29/16	12/5/21	AUTOMOBILE LIABILITY INSURANCE
2000000.0	2/21/17	12/5/21	COMMERCIAL GENERAL LIABILITY INSURANCE
1000000.0	2/21/17	12/5/21	EMPLOYER'S LIABILITY INSURANCE
199000.0	7/1/17	6/30/21 WORKMEN'S COMPENSATION INSURANCE OF COMMONWE PUERTO RICO	

Scope of Work

CONTRATO 90074

CONTRACT REQUISITION 00247845

DUE DATE TO SUBMIT OFFERS:

TUESDAY JULY 6, 2021 TIME: 1:00PM

PLEASE SEND BID BY EMAIL TO THE FOLLOWING ADDRESS:

ANGELICA.ROSARIO@PREPA.COM

ORDEN PARA SUPLIDO DE DIESEL AND GASOLINE SUPPLY (MENOR A 999 GALS)

Page

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of

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Contract Release

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PUERTO RICO ELECTRIC POWER AUTHORITY

Contract

Scope of Work

SE ADJUDICA CONTRATO SEGÚN TÉRMINOS Y CONDICIONES SOLICITADOS Y ACEPTADOS POR COMPAÑÍA EN EL RFP 0003143.

ESTA ORDEN DE COMPRAS TIENE COMO INTENCIÓN SUPLIDOS DE ULSO DIESEL FUEL COMO EMERGENICA, POR UN TERMINO INCIAL DE TRES MESEDS, EN LO QUE SE ADJUDICA UN NUEVO CONTRATO.

ALCANCE DEL TRABAJO

- 1-ORDEN DE COMPRA GASOLINA Y DIESEL ULTRA BAJO EN AZUFRE (ULSD) PARA SER ENTREGADO EN LAS INSTALACIONES DE LA AEE.
- 2- EL COMBUSTIBLE DEBERÁ CUMPLIR CON LAS ESPECIFICACIONES APLICABLES SEGÚN LAS REGULACIONES DE EPA Y EQB PARA PUERTO RICO.
- 3- LAS CANTIDADES QUE SE ENTREGARÁN EN CADA SITIO SERÁN LAS SOLICITADAS POR LA OFICINA DE COMBUSTIBLES DE LA AEE.
- 4- EL TAMAÑO DE LA CANTIDAD DE ENTREGA ES HASTA UN MÁXIMO DE 999 GALONES.
- 5- LOS CAMIONES DEPÓSITO TENDRÁN BOQUILLAS CON PICO GRANDE PARA SERVICIO SOBRE DEPÓSITOS DE TANQUE DE TIERRA.
- 6- ESTA ORDEN DE COMPRA ESTÁ LIMITADA A UNA CANTIDAD MÁXIMA DE \$199,000.

0+0.6190=219

PRECIOS ESTIPULADOS EN ESTE CONTRATO

GASOLINA 87 OCT AMERICAN

DIFERENCIAL FIJO: \$1.50

IMPUESTOS Y/O ARBITRIOS \$0.6190

ULSD (DIESEL)

DIFERENCIAL FIJO: \$1.00

IMPUESTOS Y/O ARBITRIOS: \$0.2621

of

PRECIO NETO

PRECIO NETO DEL COMBUSTIBLE SE OBTENDRÁ UTILIZANDO COMO BASE EL US

Page

3

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PUERTO RICO ELECTRIC POWER AUTHORITY

Contract

Scope of Work

GULF COAST WATERBONE MAS UN DIFERENCIAL FIJO (INCLYE PATENTE MUNICIPAL), ARBITRIOS Y/O IMPUESTOS, SERÁ FACTURADO EN UN PRECIO GLOBAL SIN DESGLOSE. ENTREGAS MENORES DE 500 GALONES TENDRÁN CARGO ADICIONAL DE \$150.00.

FUEL PURCHASE ORDER TERMS AND CONDITIONS
GASOLINE AND DIESEL BY TANK TRUCKS
AT PREPA FACILITIES

FUELS OFFICE REFERENCE 902-05-21

ARTICLE I - Scope and Term of Purchase Order

A. Seller agrees to sell and deliver to PREPA and PREPA agrees to purchase from Seller its requirements of gasoline and Ultra Low Sulfur Diesel (ULSD) to be delivered at PREPA¿s facilities. The fuel shall comply with applicable specifications as regulated by EPA and EQB for Puerto Rico, set forth in Exhibit A for regular unleaded gasoline and Exhibit B for ULSD. The quantities to be delivered at each site shall be those as requested by PREPA¿s representative.

- B. Delivery quantity size is up to 999 gallons.
- C. This Purchase Order is limited to a maximum amount of \$199,000 and will be in effect for a period of one (1) year after its approval. The Contract may be extended, for an additional year, at the exclusive option of PREPA and subject to the availability of funds, only by written amendment agreed upon both parties. Either party will inform the other its intention of no extension, by written notice, at least one hundred twenty (120) days before the expiration of the original Contract. The Contract may be extended on a monthly basis upon mutual agreement after the end of the



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8/2/21

PUERTO RICO ELECTRIC POWER AUTHORITY

Contract

Scope of Work

contracted term, provided that, said extension shall not exceed four (4) consecutive months, except when an emergency is declared by PREPA¿s Governing Board.

ARTICLE II - Delivery and Title

A. Fuel shall be delivered by tank trucks into PREPA's storage tank at the various facilities as requested. Delivery to any of these stations shall be deemed completed and title and risk shall pass to PREPA when the fuel passes the flange connection, adjacent to PREPA's storage tanks at said station.

Tank truck deliveries to these stations shall be made with seventy-two (72) hours after the Coordinated Date by PREPA. The Coordinated date is the date on which the fuel delivery is agreed and the period of seventy-two (72) hours to deliver starts counting.

ARTICLE III - Specifications

- A. Seller guarantees that fuel supplied under this Purchase Order complies with applicable specifications as regulated by EPA and EQB for Puerto Rico and in accordance with the latest edition of the applicable ASTM methods, as per Exhibit A and Exhibit B. PREPA¿s acceptance of, or agreement to remedial or preventive measures, shall not be interpreted or considered as a waiver of any right or remedy available to it under the law, including, but not limited to, rights to actions or claims for damages caused by Seller¿s noncompliance with the fuel specifications, or with any other provision of this Purchase Order.
- B. The fuel to be supplied will be available to PREPA as requested. If Seller is unable at any time, except for reasons as provided for in the

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PUERTO RICO ELECTRIC POWER AUTHORITY

Contract

Scope of Work

Force Majeure provision, to supply in full the amounts of fuel required, then it shall supply the balance by which it fails to meet such amounts with a higher grade fuel acceptable to PREPA and at the same price as that of the herein specified fuel.

- PREPA, in determining and establishing the specifications, considers environmental regulations as may be in effect at such time. In the event that during the term of the Purchase Order Federal or Commonwealth of Puerto Rico laws or regulations are modified requiring the use of a fuel of different specifications than the fuel contracted for, or in the event that PREPA is duly authorized to use a fuel with different specifications than the fuel contracted for, and if these changes require an adjustment in the price of the fuel contracted for; then the parties shall meet within five (5) days from the enactment of any such law or regulations to discuss the matter for the purpose of establishing new price terms, satisfactory to both parties for the fuel with new specifications. If an agreement cannot be reached prior to the enforcement date of the regulations because Seller price is not competitive or, if for any reason, Seller cannot provide the fuel according to the new specifications; then PREPA shall have the right to terminate the Purchase Order without Seller being entitled to any further compensation except for payment of fuel already delivered to and due by PREPA.
- D. Prior to receipt of any shipment, Seller shall provide a certified laboratory analysis of the fuel to be delivered.
- E. If during any delivery Seller fails to meet the specifications as awarded, PREPA reserves the right, without limiting any other right or



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PUERTO RICO ELECTRIC POWER AUTHORITY

Contract

Scope of Work

remedy it may have under this Purchase Order and/or under the law, to evaluate the deviations and deduct a monetary equivalent from the amounts due to Seller, establish a claim for nonperformance, or terminate the contractual relationship with Seller for nonperformance.

F. Seller will be held responsible for any fines, penalties, damages, expenses, costs or claims, actions, and causes of actions, which may arise due to the fact that any of the fuel provided by Seller has deviations or variations from the contracted specification for the same. Therefore, if such circumstance takes place, Seller will hold and save harmless and will defend PREPA, its officers, agents, and employees, from any claims, actions, cause of actions, damages, costs, fines, penalties, and expenses due to the above.

ARTICLE IV - Price and Payment

- A. The contracted prices are based on a unit price in dollars per gallon (\$/gal) to be computed using as a reference the prevailing posting publications on the Fuel Request Date and it will be composed of a fixed price differential plus an escalator factor and applicable taxes. The Fuel Request Date is the date on which the fuel is requested and the price is settled. The escalator formulas are as follows:
- 1. gasoline the daily average of Unl 87, as published daily by the Plattis Oilgram Price Report under the Product Price Assessments Section 20.5. Gulf Coast Waterbornei.

Final number is to be rounded to four (4) decimal

places
2. ULSD - the daily average of ULSD, as published daily by
the Plattis

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PUERTO RICO ELECTRIC POWER AUTHORITY

Contract

Scope of Work

Oilgram Price Report under the Product Price Assessments Section ¿U.S. Gulf Coast Waterborne¿.

PREPA shall have the right to price protection for the fuel being delivered except as provided for in the Article VI, Force Majeure, of this Purchase Order. Price protection is to be applied to those deliveries not made within the agreed delivery window of seventy-two (72) hours as mentioned in Article II, Delivery and Title, of this Purchase Order. Price protection is hereby defined as the lowest calculated price between the Fuel Request Date and the actual delivery date as calculated in this Article.

- B. Fuel shall be measured while being delivered into PREPA's storage tanks. Every invoice for a tank truck delivery shall be accompanied by a copy of the delivery ticket properly signed by PREPA's duly authorized representative and copy of the Fuel Analysis Certificate. All tank trucks should have all hatches and outlet valves properly locked with seals at the time the delivery is to commence; otherwise the product will not be accepted by PREPA.
- C. Seller's invoices shall be paid net by PREPA in U.S. currency within forty-five (45) days after the receipt of invoice at PREPA's Fuels Office. PREPA will pay on the basis of quality and quantity of fuel received.
- D. All invoices submitted by Seller shall include the following Certification in order to proceed with its payment. This is an essential requirement and those invoices without this Certification, will not be processed for payment.



Contract Release

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No Interest Certification:

Under penalty of absolute nullity, I hereby certify that no employee, official or director of PREPA is a party or has any interest in the profits or benefits to be obtained under this Purchase Order, or if any employee, official or director of PREPA has any interest in the profits or benefits under this Purchase Order, a waiver has been previously obtained.

I, also certify that the only consideration to provide the services under this Purchase Order is the payment agreed with PREPA's authorized representative.

The total amount of this invoice is fair and correct. The services were provided and no payment has been received for said concept.

Seller's Signature

- E. Volume calculation for excise tax purposes will be as determined by the Puerto Rico Treasury Department or the applicable regulatory agency. Applicable taxes to the purchase of gasoline and ULSD fuel will be determined as follows:
- 1. Crude Oil Tax This will be calculated using the official value as reported by the Puerto Rico Treasury Department (Hacienda) for corresponding month in its ¿Determinación de Arbitrio al Petróleo Crudo, Productos Semiterminados y Productos Terminados Derivados de Petróleo¿ monthly communication. Said value shall be divided by forty-two (42) in order to obtain the applicable amount in dollars per gallon to be applied.
- 2. Excise tax is to be presented as a separate line item in the invoice.

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The Excise tax is a fixed value for the different fuels and it can only be modified by legislation. The values currently in effect are the following:

a. gasoline \$0.16 per gallon

b. ULSD

\$0.04 per gallon

3. Oil Spill Tax ¿ This is a fixed value for the different fuels (when it is active by legislation). The values currently in effect are the following;

a. gasoline

\$0.0021 per gallon

b. ULSD

\$0.0021 per gallon

The values per gallon for gasoline and ULSD should be included on invoices according to Section 4611 of the Federal Internal Revenue Service Code.

- 4. Municipality Patent is to be presented as a separate line item in the invoice. PREPA will reimburse Seller the amount corresponding to the payment of the municipality patent, once the Seller presents PREPA evidence, issued by the Municipality, with respect to the percent established as a basis for the calculation of the amount to be paid as such patent. If during the term of the Contract, such percent changes, Seller shall immediately present PREPA the corresponding evidence, issued by the Municipality and reflect it in the invoice.
- It will be Selleris full responsibility to obtain a refund for the payment of any taxes from which PREPA is exempt.

ARTICLE V & Lavtime and Demurrage

The fuel shall be supplied by Seller and shall be delivered and pumped into PREPA¿s storage tanks. Seller certifies that is capable to effect

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deliveries within seventy-two (72) hours after request of product by PREPA and within PREPAis working hours which are from 7:30 to 11:30 AM and from 12:30 to 4:00 PM including deliveries on Saturdays, Sundays, and holidays, if necessary, in order to fulfill PREPAis operational requirements. assumes no responsibility or liability for demurrage incurred by the tank trucks delivering fuel pursuant to this Purchase Order, unless such demurrage is attributable to the fault or negligence of PREPA. shall furnish all appropriate documentation and available evidence in support of any demurrage claim, which may be brought against PREPA.

ARTICLE VI - Force Majeure

The parties hereto shall be excused from performing hereunder and shall not be liable in damages or otherwise, if and only to the extent that they shall be unable to perform, or are prevented from performing by a Force Majeure event. For purposes of this Purchase Order, Force Majeure means any cause without the fault or negligence, and beyond the reasonable control of, the party claiming the occurrence of a Force Majeure event. Force Majeure may include, but not be limited to, the following: Acts of God, industrial disturbances, acts of the public enemy, war, blockages, boycotts, riots, insurrections, epidemics, earthquakes, storms, floods, civil disturbances, lockouts, fires, explosions, interruptions of services due to the acts or failure to act of any governmental authority, provided that these events, or any other claimed as a Force Majeure event, and/or its effects, are beyond the reasonable control and without the fault or negligence of the party claiming the Force Majeure, and that such party, within ten (10) days after the occurrence of the alleged Force Majeure.



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gives the other party written notice describing the particulars of the occurrence and its estimated duration. The party claiming the Force Majeure shall continue the performance of its obligations hereunder immediately after the conclusion of the Force Majeure.

In the event that the Force Majeure extends for a period of more than sixty (60) consecutive days, the party not claiming the Force Majeure may terminate this Agreement without further obligation. The burden of proof as to whether a Force Majeure event has occurred shall be on the party claiming the Force Majeure.

Notice of termination under this provision shall create no liability to the parties, except that the parties shall still be responsible for the payments of amounts due and owing to the other party not subject to claims. ARTICLE VII - General Liabilities

A. Seller agrees to make, use, provide, and take all proper, necessary precautions, safeguards and protection against the occurrence or happening of injuries, death and/or damages to any person or property during the transportation and delivery process, and to be responsible for, and indemnify, and save PREPA harmless from public liability, costs, and expenses resulting therefrom, or damages that may happen or occur solely through the fault, or negligent acts, or omissions of Seller, its employees, agents, and subcontractors, during the performance of the supply, or while carrying out any act or action directly or indirectly related, or in connection with the performance of this Purchase Order, and from loss, liability, and fines incurred for, or by reason of violation by Seller of any federal, state or municipal ordinance, or regulation of law,



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while said delivery is in progress.

B. Seller will be held responsible for any fines, penalties, damages, expenses, costs or claims, actions, and causes of actions, which may arise due to the fact that any of the fuel provided by Seller has deviations or variations from the contracted and guaranteed specifications for the same.

Therefore, should such circumstances take place, Seller will hold and save harmless and will defend PREPA, its officers, agents, and employees from any claims, actions, causes of actions, damages, costs, fines, penalties, and expenses due or attributable to variations in fuel specifications as contracted and guaranteed by Seller.

C. The appearing parties agree that their responsibilities for damages under this Purchase Order will be governed by the Puerto Rico Civil Code and its case law, as dictated by the Supreme Court of Puerto Rico.

ARTICLE VIII & Notices

Any notice to be given hereunder shall be in writing and will be sufficiently served when delivered in person or properly mailed to the following addresses:

To PREPA: Puerto Rico Electric Power Authority

Fuels Office

PO Box 364267

San Juan, Puerto Rico 00936-4267

Attention:

Fuels Office Manager

To Seller:

(Selleris Name)

(Mailing Address)

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Attention:

Selleris representative

Either Seller or PREPA, upon any change of its address as set forth above, shall notify the other party in writing and from and after giving of such notice, the address therein specified shall be deemed the address of such party for the giving of notices.

ARTICLE IX - Insurance

- A. Seller shall secure and maintain in full force and effect during the life of this Purchase Order as provided herein, policies of insurance covering all operations engaged in by the Purchase Order as follows:
- 1. Commonwealth of Puerto Rico Workmenis Compensation Insurance: Seller shall provide Workmenis Compensation Insurance as required by the Workmenis Compensation Act of the Commonwealth of Puerto Rico. Seller shall also be responsible for compliance with said Workmenis Compensation Act by all its subcontractors, agents, and invitees, if any. Seller shall furnish the PREPA a certificate from the Puerto Ricois State Insurance Fund showing that all personnel employed in the work are covered by the Workmenis Compensation Insurance, in accordance with this Purchase Order.
- 2. Employeris Liability Insurance: Seller shall provide Employeris 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 the Seller as 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 Workmenis Compensation Act of the Commonwealth of Puerto Rico.
- 3. Commercial General Liability Insurance: Seller shall provide a

Wh.

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Commercial General Liability Insurance with limits of \$1,000,000 per occurrence and \$1,000,000 aggregate.

- 4. Commercial Automobile Liability Insurance: Seller shall provide a Commercial Automobile Liability Insurance with limits of \$1,000,000 combined single limit covering all owned autos, non-owned and hired automobiles.
- B. Requirements Under the Policies: The Commercial General Liability and Commercial Automobile Liability Insurance required under this Purchase Order, shall be endorsed to include:
- 1. As Additional Insured:

Puerto Rico Electric Power Authority (PREPA)

PO Box 364267

San Juan, PR 00936-4267

- 2. A 30 day cancellation or nonrenewable notice to be sent to the above address.
- 3. An endorsement including this Purchase Order under contractual liability coverage and identifying it by number, date and parties to the Purchase Order.
- Waiver of Subrogation in favor of PREPA.
- 5. Breach of Warranties or Conditions: ¿The Breach of any of the Warranties or Conditions in this policy by the Insured shall not prejudice PREPA¿S rights under this policy.¿
- C. All required policies of insurance shall be in a form acceptable to PREPA and shall be issued only by insurance companies authorized to do business in Puerto Rico.



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D. Seller shall furnish a certificate of insurance in original signed by an authorized representative of the insurer in Puerto Rico, describing the coverage afforded. This certification shall be in the ¿Acord¿ form, in general use by the insurers. Also, original of the endorsements shall be furnished.

ARTICLE X - Duties and Taxes

In the event that any new or increased taxes, fees or tariffs applicable to the product being supplied hereby are levied by Federal and/or Commonwealth of Puerto Rico, and as long as these taxes, fees or tariffs do not discriminate whether the product is domestic or foreign, these will be passed on in their entirety to PREPA; any changes up or down in these taxes, fees or tariffs, should they be imposed, will be reflected in the price in its entirety and PREPA will adjust the price accordingly. However, should said new or increased taxes, fees or tariffs discriminate whether the product is domestic or foreign and said new or increased taxes, fees or tariffs result in a lower price for domestic fuel, PREPA must be supply with fuel which results in the lowest cost to PREPA. Should domestic fuel be unavailable, the parties shall meet within five (5) days from PREPAis notification to PREPAis request, to discuss fuel availability from other sources and negotiate the financial aspect of any taxes, fees or tariffs applicable to that product. If an agreement cannot be reached, PREPA shall have the right to terminate the Purchase Order without Seller being entitled to any further compensation except for fuel already delivered and due by PREPA.

ARTICLE XI - Contingent Fees

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- A. Seller warrants that it has not employed any person to solicit or secure the Purchase Order upon any agreement for a commission, percentage, brokerage or contingent fee. Breach of this warranty will give PREPA the right to immediately terminate the Purchase Order and/or to deduct from payments the amount of such commission, percentage, brokerage or contingent fee, or to claim said amount by whatever means available under the law.
- B. No officer, employee, or agent of PREPA or of the Commonwealth of Puerto Rico, or of any Municipal Government shall be admitted to any share or part of the ensuing Purchase Order or to any benefit that may arise therefrom, but this provision shall not be construed to extend to the ensuing Purchase Order if made with a well-known oil corporation for its general benefit, although said corporation employs a relative, by reasons of consanguinity or affinity, to a PREPA employee.
- C. Seller represents and warrants that it is authorized to enter into, and to perform its obligations under this Purchase Order and that it is not prohibited from doing business in Puerto Rico or barred from contracting with agencies or instrumentalities of the Commonwealth of Puerto Rico.

ARTICLE XII - Separability

If a court of competent jurisdiction declares any of the Purchase Order provisions as null or invalid, such holding will not affect the validity and effectiveness of the remaining provisions of the Purchase Order and the parties agree to comply with their respective obligations under such provisions not included by the judicial declaration.

ARTICLE XIII ¿ Termination



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PUERTO RICO ELECTRIC POWER AUTHORITY

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Scope of Work

Notwithstanding anything to the contrary in this Contract regarding its term, PREPA may, at any moment, terminate, cancel or accelerate its expiration, after giving Seller a not less than thirty (30) days prior notice, when in PREPA¿s judgement such action responds to PREPA¿s best interest. The exercise of its right to terminate, cancel or rescind the Contract shall not be understood as a waiver by PREPA to any other remedy it may have under this Contract or under the law for delays or breach incurred by Seller in the performance of its obligations under the Contract.

* * * End of Contract * * *



CERTIFICATE OF INSURANCE

ISSUED DATE 7/20/2021

PRODUCER CARLOS M MERCADO TRIPLE-S INSURANCE AGENCY P.O. BOX 360838 SAN JUAN, PR. 00936-0838

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHT UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

CODE

SUB-CODE

TRIPLE-S PROPIEDAD

P.O. BOX 70313, SAN JUAN PR 00936

American Gasoline Corporation &/or American Petroleum

PO Box 2376

Toa Baja, PR 00951

COVERAGE

THIS IS TO CERTIFICATE THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAME ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFF. DATE (MM/DD/YY)	POLICY EXP. DATE (MM/DD/YY)	ALL LIMITS <u>IN THOUSANDS</u>			
	GENERAL LIABILITY [] COMMERCIAL GENERAL LIABILITY [] CLAIMS MADE [x] OCCUR. [] OWNWER'S & CONTRACTOR'S PROT. []	CL-83056200	02/01/2021	02/01/2022	GENERAL AGGREGATE PRODUCTS-COMP/OPS PERSONAL AND ADVERTISING EACH OCCURRENCE FIRE DAMAGE (Any one fire)		\$1,000,0 \$1,000,0 \$1,000,0 \$1,000,0 \$100.00 \$5,000	000
·	AUTOMOBILE LIABILITY [[x] TRUCKERS – MCS 90 [x]SCHEDULED AUTOS	CA-46092773	02/01/2021	02/01/2022	MEDICAL EXPENSE (Any one pe COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE		00,000	
	EXCESS LIABILITY [] [] OTHER THAN UMBRELLA FORM Other:				EACH OCCURRENCE \$ Limit Deducible:		AGGREG	ATE

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/RESTRICTIONS/SPECIAL ITEMS Operations: Gasoline Stations-Self-Service/Grocery Stores / Vacant Building

CERTIFICATE HOLDER:

PR ELECTRIC POWER AUTHORITY PURCHASING DIVISION PO BOX 364267 SAN JUAN, PR 00936-4267

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY
WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH
NOTICE SHALL IMPOSE NOT OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

JUAN J. RODRIGUEZ DIAZ **AUTHORIZED REPRESENTATIVE**

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CERTIFICATE OF INSURANCE

ISSUED DATE 7/20/2021

PRODUCER CARLOS M MERCADO TRIPLE-S INSURANCE AGENCY P.O. BOX 360838 SAN JUAN, PR. 00936-0838

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CODE

SUB-CODE

SSS TRIPLE-S PROPIEDAD

P.O. BOX 70313, SAN JUAN PR 00936

American Gasoline Corporation &/or American Petroleum

PO Box 2376 Toa Baja, PR 00951

COVERAGE

THIS IS TO CERTIFICATE THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAME ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFF, DATE (MM/DD/YY)	POLICY EXP. DATE (MM/DD/YY)	ALL LIMITS <u>IN THOUSANDS</u>	
	GENERAL LIABILITY [] COMMERCIAL GENERAL LIABILITY [] CLAIMS MADE [x] OCCUR. [] OWNWER'S & CONTRACTOR'S PROT.	CL-83056200	02/01/2021	02/01/2022	GENERAL AGGREGATE PRODUCTS-COMP/OPS PERSONAL AND ADVERTISING EACH OCCURRENCE	\$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$100.000
				u	FIRE DAMAGE (Any one fire) MEDICAL EXPENSE (Any one person	\$5,000
	AUTOMOBILE LIABILITY [[x] TRUCKERS – MCS 90 [x]SCHEDULED AUTOS	CA-46092773	02/01/2021	02/01/2022	COMBINED SINGLE LIMIT	1,000,000
	EXCESS LIABILITY [] [] OTHER THAN UMBRELLA FORM		25		EACH OCCURRENCE \$	AGGREGATE
	Other:	*			Limit Deducible:	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/RESTRICTIONS/SPECIAL ITEMS Operations: Gasoline Stations-Self-Service/Grocery Stores / Vacant Building

CERTIFICATE HOLDER:

PR ELECTRIC POWER AUTHORITY PURCHASING DIVISION PO BOX 364267 SAN JUAN, PR 00936-4267

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NOT OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

JUAN J. RODRIGUEZ DIAZ AUTHORIZED REPRESENTATIVE

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GOBIERNO DE PUERTO RICO Corporación del Fondo del Seguro del Estado

CERTIFICACIÓN DE PÓLIZA DE SEGURO

20221200002617

Código verificación electrónica

A: A quien pueda interesar

Certificamos que el patrono AMERICAN PETROLEUM CO INC, con póliza 8516000557, cumple con los siguientes requisitos para la obtención de la cubierta para sus obreros o empleados, en caso de ocurrir un accidente de trabajo.

- 1. Rindió su declaración de nómina en: 09/07/2021.
- 2. Su póliza cubre los siguientes riesgos:

Riesgo	Descripción	
8350-344	Gasolina Aceite Derivado	
8742-354	Cobradores Y Mensajeros	
8810-350	Oficinistas Delineantes	

3. Pagó las primas establecidas por el Administrador en:

Semestre	Fecha de Vencimiento (DD/MM/YYYY)	Fecha de Pago (DD/MM/YYYY)
1	20/08/2021	12/07/2021
2	20/01/2022	12/07/2021

4. Propósitos:

Certificación para participar en subastas. De adjudicarse el contrato deberá solicitar nueva certificación.

- 5. Observaciones:
 - Esta certificación no será válida para efectuar ningún tipo de trabajo, sólo se emite como evidencia de cubierta de seguro obrero para el propósito mencionado en la parte 4 (propósito de la certificación) de este documento.
- 6. Esta certificación es válida hasta el 30 de junio de: 2022

Esta certificación no será válida sin el Código de Verificación Electrónica. Favor de verificar la validez de esta Certificación usando el Código de Verificación Electrónica en **portal.fondopr.com** - Verificación de Certificación.

Portal / CFSE

Funcionario



Generado Electrónicamente

20/07/2021

Fecha de Emisión (DD/MM/YYYY)

8

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p.





2022-P00024

FUEL PURCHASE CONTRACT SAN JUAN, PALO SECO, AGUIRRE, MAYAGÜEZ, CAMBALACHE, AND GAS TURBINES GENERATING STATIONS

AS FIRST PARTY: The Puerto Rico Electric Power Authority (PREPA), a public corporation and government instrumentality of the Commonwealth of Puerto Rico, created by Act No. 83 of May 2, 1941, as amended, (Act 83-1941) represented in this act by its Executive Director, Josué A. Colón Ortiz, of legal age, married and resident of Caguas, Puerto Rico.

AS SECOND PARTY: Novum Energy Trading Inc. ("Seller"), a corporation organized and existing under the laws of Delaware duly authorized to do business in Puerto Rico, herein represented by its, Chief Financial Officer, Christopher John Scott, of legal age, married, and a resident of Houston, Texas, duly authorized to appear in representation of the Seller by Resolution dated October 11, 2021.

Both PREPA and Seller are herein individuals referred to as a "Party" and collectively referred to as the "Parties".

WITNESSETH

WHEREAS, PREPA, by virtue of Act 83-1941, has the authority to engage those professional, technical, and consulting services necessary and convenient to the activities, programs, and operations of PREPA;

WHEREAS, PREPA issued a Request for Proposal No. 117081 (RFP) for the supply of light distillate No. 2 fuel oil at San Juan, Palo Seco, Aguirre, Mayagüez, Cambalache, and Gas Turbines Generating Stations.



WHEREAS, in response to the referred RFP, Seller made an offer to supply said fuel at San Juan, Palo Seco, Aguirre, Mayagüez, Cambalache, and Gas Turbines Generating Stations as requested.

In consideration of the mutual covenants herein stated, the Parties agree themselves, their personal representatives, successors, and assignees, as follows:

ARTICLE I. TYPE OF CONTRACT

A. Scope and Term of Contract

- 1. Seller agrees to sell and deliver to PREPA, a light distillate No. 2 fuel oil in compliance with the specifications in Exhibit A for the San Juan, Palo Seco, Aguirre, Mayagüez, Cambalache, and Gas Turbines Generating Stations. The weekly rate of delivery for each station shall be the amount requested by PREPA each week.
- 2. PREPA reserves the right to purchase approximately 25% of the plant fuel requirements from any open market source if PREPA identifies a market price which is lower than that which was agreed upon the execution of the Contract or for a declared emergency situation by PREPA and/or the Seller, causing a shortage on contracted quantities.

B. Additional Provisions

1. Any and all changes and/or modifications to the scope of the Contract shall be in writing and must be signed by both Parties.





- 2. The Seller represents that it has or shall obtain, or cause to be obtained, all personnel necessary to undertake and provide the Services in a manner satisfactory to PREPA.
- 3. The Seller may not subcontract any of the Services that it has committed to perform or provide pursuant to this Contract without the prior written approval of the Executive Director of PREPA or any of his or her authorized representatives. Such consent to subcontract shall not relieve the Seller of its full responsibilities under this Contract. Consent to the subcontracting of any part of the services shall not be construed to be an approval of said subcontract or of any of its terms, but shall operate only as an approval of the Seller's request for executing a contract with its chosen subcontractor (hereinafter a "Subcontractor"). The Seller shall be responsible for all services performed by the Subcontractor and all such services shall conform to the provisions of this Contract.

ARTICLE II. TERM OF CONTRACT; TERMINATION

A. Term

This Contract will become effective on the date of its signing by the Parties and will be in effect for a period of one (1) year. The Contract may be extended, for an additional year only by written amendment agreed upon both parties. The Contract may be extended on a monthly basis upon mutual agreement on the same terms and conditions after the end of the contracted term, provided that, said extension





shall not exceed four (4) consecutive months, except when an emergency is declared by PREPA's Governing Board.

B. Termination for Convenience

PREPA shall have the right to request to terminate this Contract for convenience only if mutually agreed with the Seller.

C. <u>Termination for Cause</u>

PREPA shall have the right to terminate this Contract immediately in the event of negligence, dereliction of duty, noncompliance, or material breach by the Seller, as determined in the sole discretion of PREPA, or for any other reason described elsewhere in this Contract as a basis for termination. In the event the Contract is terminated by PREPA for cause, PREPA shall be obligated to pay all fees and expenses incurred up to the day of effective termination, in accordance with the terms of this Contract. Seller shall have no further right to compensation except for what has been accrued for services rendered under this Contract until said date of effective termination.

D. Termination for insolvency

if Seller enters into bankruptcy proceedings, or if Seller becomes bankrupt or insolvent, or if a petition in bankruptcy is filed against Seller, or if a receiver is appointed for Seller, PREPA shall have the right to terminate the Contract upon written notice to Seller, without prejudice to any claim or any other right of PREPA





under the Contract at the time of such termination. Notice of termination under this provision shall not create any liability to PREPA, except that PREPA shall still be responsible for the payment of amounts due and owing to Seller not subject to claims by PREPA.

E. Independent Contractor

Seller shall be considered as an independent contractor, for all the material purposes under this Contract, and all persons engaged or contracted by the Seller 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. In consequence, Seller is not entitled to any fringe benefits, such as, but not limited to vacations, sick leave, and other.

F. The Parties acknowledge that PREPA is undergoing a transformation process, and therefore, both Parties agree that in the eventuality of the execution of a Partnership Contract, Sale Contract or any other PREPA Transaction (as these terms are defined in Act No. 120-2018, otherwise known as Puerto Rico Electric System Transformation Act, as amended), PREPA may sell, assign, convey, transfer, pledge, mortgage, sublease, delegate, hypothecate, or otherwise dispose (each, a "Transfer") any of its rights, title, or interest (by novation or other instrument) in this Contract as permitted by applicable law and at any time, and without Seller's consent or cost, expense or incremental liability to PREPA, to any





future operator of Puerto Rico's Generation system or any of its affiliates, or to any governmental agency, body, public corporation or municipality of Puerto Rico; provided, that PREPA shall notify Seller no later than thirty (30) days before the effective date of any such Transfer.

ARTICLE III. DELIVERY AND TITLE

A. Delivery of the fuel, as specified in Exhibit A, Fuel Specifications, will be by seagoing vessel, barge, tank to tank transfer, or tank truck at San Juan, Palo Seco, Aguirre, Mayagüez, Cambalache, and Gas Turbines Generating Stations as requested by PREPA. The price shall be established on the day the fuel commences transfer into PREPA's facilities.



B. PREPA shall submit Seller a weekly estimate of its requirements and propose dates for delivery of fuel during the following fifteen (15) days. Seller shall promptly acknowledge receipt of such estimate and shall, within two (2) days of such receipt, confirm or propose new delivery dates for the following fifteen (15) days. Said delivery schedule, if accepted by PREPA, shall be final unless operational needs from PREPA changes such schedule. Delivery dates shall consist of delivery windows of two (2) to four (4) days each for actual delivery to occur.

C. Title of product delivered shall pass to PREPA after the fuel passes the pipeline flange. Seller is responsible for cleaning, removing, and disposing of any spill of his product, which might occur before the pipeline interconnection during delivery;



and shall be responsible for securing all materials, permits, and personnel required for handling the transfer of fuel.

D. Deliveries via barge for San Juan / Palo Seco Steam Plants, Aguirre Steam Plant, Mayagüez, and Cambalache are limited by a dredged channel with a draft of 26, 21.5, 22, and 18 feet, respectively. Seller shall conduct its own investigation relative to navigational information or any natural changes that might occur at the San Juan bay, Jobos bay, Mayagüez bay, Arecibo bay, or Guayanilla bay, as PREPA does not assume any responsibility for the same.

E. Maximum temperature of oil entering PREPA's pipeline shall not exceed one hundred degrees Fahrenheit (100°F), and at the pressure of not more than one hundred fifty (150) psig., nor less than one hundred twenty-five (125) psig., measured at PREPA's intake flange.

F. If Seller, for any reason, except as provided for in Article XVI, Force Majeure, of this Contract, fails to deliver the fuel required, as provided for in this Contract, PREPA may procure the product from any other supplier. In such event, PREPA may deduct from the Seller any pending invoices or the Seller shall relmburse PREPA for any difference which PREPA may have paid in excess of the contracted price. It shall be understood that PREPA is not walving any rights available to it under the law, including rights to any claims or actions for damages caused by noncompliance by the Seller with the terms of this Contract.





G. The Seller will be responsible for any and all damages to the dock or to any other property caused by the vessel during delivery. All fuel oil deliveries and transfers should be in compliance with Homeland Security Regulations including, but not limited to, 33 CFR 104 & 105. Also, all fuel oil operations should be in compliance with 33 CFR 154, 155 & 156.

H. Should PREPA need fuel of the same type and quality of the fuel herein contracted for, at any of its other plants, PREPA, at its option, may request deliveries and Seller shall deliver to such other plant up to a maximum of Seller's contractual commitment or inventory capabilities, if any. The fuel oil to be delivered under this condition by the Seller shall be at the same delivered price, or lower, and under the same payment conditions as for other plants, adjusted to reflect any increased or decreased transportation costs resulting from delivery to such other plants.

- I. The Seller is responsible under a predicted force majeure event to take immediate action and employ emergency plans to avoid human hazards and protect public and private properties.
- J. The Seller agrees to indemnify PREPA for all expenses and costs of any nature arising out of any claim due to an environmental non-compliance violation caused by Seller, its agents, employees, subcontractors, or assignees during the performance, or nonperformance of its obligations under the Contract.

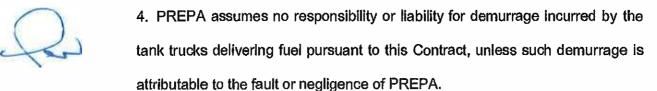


- K. PREPA reserves the right to discount or retain any full payment under this Contract until the Seller or subcontractors comply with any debts or liabilities as a result of poor performance or negligence during the product delivery.
- L. Every vessel shall be coastal tanker and capable of acceptance by the terminal(s), and the Seller shall bear the risk of any failure to obtain acceptance.
- M. It is the Seller's responsibility to familiarize themselves with all the locations in which it provides services under the Contract. The Seller will be required to have the proper personnel and equipment to service the locations they were awarded.
- N. Fuel may be delivered to Cambalache, Mayagüez, and Gas Turbines Generating Stations, by tank truck, only upon request by PREPA. Delivery to any of these stations shall be deemed completed and title and risk shall pass to PREPA when the fuel passes the flange connection, adjacent to PREPA storage tanks at said station. All transportation charges by tank trucks needed during the contract will be included on negotiated adder with PREPA by the Seller.
- 1. Seller shall comply with all applicable local and federal environmental regulations.
- 2. The fuel shall be supplied by the Seller and shall be delivered and pumped into PREPA storage tanks. The Seller shall have the capability to effect deliveries of the product as requested by PREPA including deliveries on



Saturdays, Sundays, and holidays, if necessary, in order to fulfill PREPA operational requirements.

3. PREPA working hours are Monday thru Friday from 7:30 to 11:30 AM and from 12:30 to 4:00 PM. The Seller shall take all the necessary actions in order to supply the required daily volume during PREPA working hours. Deliveries not made during PREPA normal working hours may be rejected without penalty to PREPA. PREPA reserves the right to modify its working hours schedule in order to accommodate fuel requirements in excess of sixty thousand (60,000) gallons per day for each site.



5. The Seller shall furnish all appropriate documentation and available evidence to support of any demurrage claim, which may be brought against PREPA.

ARTICLE IV. SPECIFICATIONS

A. Fuel to be supplied shall be in accordance with the latest corresponding specifications, as specified in Exhibit A, Fuel Specifications. The Quality Certificate must include the latest revision to the test method used for each parameter. PREPA requires a fuel with homogeneous hydrocarbons, free of inorganic acids and microorganisms, and free of glycerin, water, solid, or fibrous foreign matter,





which will yield the lowest cost per kW hour produced. Any product offered will be analyzed and evaluated in terms of the ultimate cost. Seller is responsible for the fuel compliance with all applicable Code of Federal Regulations.

B. Gravity and sulfur analysis of upper, middle, and lower samples shall be the appropriate means of establishing tank or vessel homogeneity. It is Seller's responsibility to provide PREPA with a Quality Certificate that ensures, among others, that the fuel intended for delivery complies with the contracted specifications and is homogeneous.

A tank or vessel shall be considered to be homogeneous if the maximum difference in tested gravities between any two (2) samples from different strata is not greater than 0.3 degrees API, and the maximum difference in tested sulfur content between any two (2) samples from different strata is not greater than 0.02 weight percent, further provided that all tested samples shall be within the contracted specifications. For fuel received via barge into PREPA's facilities, which was loaded from a certified tank, a full certification of the barge composite sample is required.

C. In determining compliance with the Specifications, the Seller is required to make a laboratory analysis, as per specified method, to the fuel being supplied to assure that such fuel meets the specifications of this Contract, and shall submit a copy of the analysis results to the respective Power Plant Manager representative or to





PREPA's agent or representative before unloading each delivery. Copies shall also be sent to PREPA's Fuels Office attached to all invoices. The analysis should be certified by an authorized chemist licensed in Puerto Rico and approved by PREPA, and shall include items as per Specifications contained in Exhibit A.

D. If PREPA encounters difficulties in the efficient handling and burning of the fuel, special analysis from the independent inspector's retained sample shall be requested by PREPA and made by an authorized chemist licensed in Puerto Rico to determine if the characteristics of the fuel being delivered compare to the specifications. If it is determined that the difficulties are due to the fuel not complying with the Specifications, Seller will take such immediate measures as necessary to correct the deviation and to prevent further difficulties. PREPA's acceptance of, or agreement to, remedial or preventive measures shall not be interpreted or considered as a waiver of any rights available to it under the law, including, but not limited to, rights of actions or claims for damages caused by Seller's noncompliance with the fuel Specifications or with any other provision of this Contract.

any amounts due to Seller, establish a claim for nonperformance, or terminate the

E. If during any delivery Seller fails to meet the Specifications as awarded, PREPA reserves the right to evaluate the deviation and deduct a monetary equivalent from





contractual relationship with Seller. PREPA reserves the right to refuse receiving of materials which fail to comply with specifications.

F. Seller will be held responsible for any fines, penalties, damages, expenses, costs, or claims, actions, and causes of actions, which may arise due to the fact that any of the fuel provided by Seller has deviations or variations from the contracted specification. Therefore, if such circumstance takes place, Seller will hold and save harmless, and will defend PREPA, its officers, agents, and employees from any claims, actions, causes of actions, damages, costs, fines, penalties, and expenses due to the above.

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G. The Seller shall be responsible, at its own cost, for certifying that fuel meets the quality specifications required under these terms. The Seller shall provide to PREPA a Certificate of Quality.

H. PREPA might take periodic samples of the fuel oil delivered to its locations from the ship vessel in which delivery is made. PREPA reserves the right to cancel the Contract at Seller's expense for inferior deliveries, or if the fuel is found to contain dirt or sediment, or if it is of a structure that will cause clogging of burners, pipelines, burner nozzles, or prevents proper operation.

ARTICLE V. TYPE OF FUEL TO BE SUPPLIED

A. PREPA requires a fuel appropriate for burning without requiring extraordinary maintenance to the gas turbines and their associated equipment, or extraordinary



problems in the plant operations. All fuel delivered shall be analyzed and evaluated in terms of its ultimate cost and consistency with PREPA's applicable environmental regulations.

B. In the event that, during the term of this Contract, Federal or Commonwealth of Puerto Rico laws or regulations are modified, requiring the burning of a fuel of different specifications than the fuel contracted for, or in the event that PREPA obtains permission to burn a fuel with different specifications than the fuel contracted for, and if these changes require an adjustment in the price of the fuel contracted for; then the Parties shall meet within five (5) days from the enactment of any such law or regulations to discuss the matter for the purpose of establishing new price terms satisfactory to both Parties. If an agreement cannot be reached by the parties prior to the enforcement date of the regulations because Seller fuel is not competitive or, for any reason, cannot provide a fuel according to the new specifications, then PREPA shall have the right to terminate the Contract.

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C. In the event that, during the term of this Contract, PREPA requests a fuel of different specifications than the fuel contracted for, Seller and PREPA shall meet to establish new price terms for said different fuel oil specifications satisfactory to both parties. If the parties are unable to agree on new price terms, or Seller for any reason, cannot provide the fuel according to the new specifications, PREPA



may exercise the option to continue to purchase fuel oil contracted or to terminate the Contract.

D. In the event, that during the term of this Contract, any of the contracted price postings cease to exist, Seller and PREPA shall meet to establish an alternative mean to determine the contracted price satisfactory to both parties. If the parties are unable to agree on an alternative mean to determine the contracted price within forty-five (45) days after any of the contracted price postings ceases to exist, then the Contract is terminated.

ARTICLE VI. LAY TIME AND DEMURRAGE



A. PREPA assumes no responsibility or liability for demurrage incurred by the vessel(s) delivering fuel pursuant to this Contract, unless such demurrage is attributable to the fault or negligence of PREPA. Lay time shall commence six (6) hours: a) after Seller notifies PREPA that the vessel is ready to discharge cargo; or b) upon arrival at berth and cleared by Customs, whichever occurs last.

B. Notice shall be given to PREPA seventy-two (72), forty-eight (48), and twenty-four (24) hours before the vessel's arrival by the vessel's master or its agent. In the event the vessel is delayed in getting into berth after giving notice, for any reason over which PREPA has no control or due to docking restrictions, if any, such delay shall not count as used lay time.

Notices to be given under this Contract shall be deemed properly served on each other when delivered in writing personally by certified mail, by fax machine, or by electronic mail.

- C. Lay time shall commence within the meaning of this Article, whether the vessel arrives during or outside normal business hours. Lay time shall not be increased, nor PREPA held accountable for, any delay in berthing the vessel attributable to the failure of the Seller to give the notices set forth in this Article.
- D. Allowed lay time shall be thirty-six (36) hours for each and every delivery of No. 2 light distillate fuel oil under this Contract. PREPA and Seller agree, however, that the allowed lay time of thirty-six (36) hours depends upon:
- 1. Seller's vessel being capable of pumping its entire cargo within thirty (30) hours.
- 2. Seller's personnel or agents promptly performing the connection and disconnection of discharging hoses.
- 3. An unloading temperature and pressure as specified in Article IV, Specifications, of this Contract.
- E. Allowed lay time shall be increased by the time a vessel is prevented or delayed from arriving, or departing, or discharging cargo due to, but not limited to, the following:
- 1. Tide conditions, heavy seas, wind, or bad weather of any nature.

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- 2. Vessel's condition, vessel's facilities, or vessel's failure to comply with U.S. Coast Guard or other governmental agency regulations, which do not permit connection, discharging cargo, or disconnecting in the allowed lay time.
- 3. The failure of the No. 2 light distillate fuel oil to meet the quantity or specifications by any of the determinations set forth in this Contract, or if the No. 2 light distillate fuel oil is otherwise unfit for PREPA's intended use.
- 4. Regulations of port authorities, vessel's owners, or vessel's master, which prohibit discharging of the cargo at night.
- 5. Seller's cargo volume exceeds the established maximum cargo volume.
- F. If the vessel is delayed at any discharging berth for ship purposes or reasons beyond the control of PREPA, lay time shall cease when discharging is completed, even though hoses are not disconnected. If regulations of port authorities or vessel's owner prohibit discharging of the cargo at night, time so lost shall increase the allowed lay time. If PREPA prohibits discharging at night, time lost shall count as lay time. In all other cases, lay time shall continue to run until cargo hoses or loading arms, as the case may be, have been disconnected.
- G. PREPA shall pay demurrage per running hours, and pro rata for a part thereof, for all time that exceeds the allowed lay time at the rate stated in the Voyage Charter Agreement for the vessel.



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H. If discharging has ceased because it is completed, or if the discharging rate has decreased to a rate, which will not permit discharge of the entire cargo within thirty-six (36) hours or due to any other problem with the vessel, PREPA may order to move off the vessel from the dock at no cost to PREPA. If practical, the vessel shall be allowed to return later and complete discharging. In the event that the discharging rate has decreased to a rate which will not permit discharge of the entire cargo within thirty-six (36) hours, PREPA may delay ordering to move the vessel from the dock and allow pumping to continue. Provided however, the Seller pays the per hour dock fee rate and any other associated cost.

I. The Seller shall furnish all appropriate documentation and available evidence in support of any demurrage claim, which may be brought against PREPA.

ARTICLE VII. GENERAL LIABILITIES

A. The Seller agrees to make, use, provide, and take all proper, necessary precautions, safeguards, and protection against the occurrence or happening of injuries, death, and/or damages to any person or property during the delivery process. It also agrees to be responsible for, and indemnify, and save PREPA harmless from public liability, costs, and expenses resulting there from, or damages that may happen or occur solely through the fault, or negligent acts, or omissions of the Seller, its employees, agents, and subcontractor, during the performance of the supply, or while carrying out any act or action directly or





indirectly related, or in connection with the performance of this Contract, and from loss, liability, and fines incurred for, or by reason of violation by the Seller of any federal, state or municipal ordinance or regulation of law, while said delivery is in progress.

- B. The Seller will be held responsible for any fines, penalties, damages, expenses, costs or claims, actions, and causes of actions, which may arise due to the fact that any of the fuel provided by the Seller has deviations or variations from the contracted and guaranteed specifications for the same. Therefore, should such circumstances take place, Seller will hold and save harmless and will defend PREPA, its officers, agents, and employees from any claims, actions, causes of actions, damages, costs, fines, penalties, and expenses due or attributable to variations or deviations from fuel specifications as contracted and guaranteed by the Seller.
- C. The appearing parties agree that their responsibilities for damages under this Contract will be governed by the <u>Puerto Rico Civil Code</u> and its case law, as dictated by the Supreme Court of Puerto Rico.
- D. The Seller shall not assign nor subcontract its rights and obligations under this Contract, except in the event PREPA gives written authorization for such actions. Provided that, no subcontract shall be considered for PREPA's approval, except when the following requirements are met: (1) the Seller delivers PREPA a copy of



the subcontract, not less than thirty (30) days prior to the effective date of the proposed subcontract; (2) the subcontract includes, as a condition for its legal validity and enforceability, a provision whereby PREPA has the right to substitute, subrogate, or assume Seller's rights under the subcontract, in the event that PREPA declares the Seller in breach or default of any of the Contract terms and conditions; (3) the subcontract includes, as a condition for its validity and enforceability, a provision establishing for the subcontractor the obligation to comply with all Seller's obligations under the Contract (mirror image clause), except for such obligations, term, and conditions which exclusively relate to works or services not included under the subcontract.



- E. Seller shall be responsible for the performance of all deliveries and work under this Contract.
- F. Seller shall be responsible to PREPA for the acts and omissions of its employees, agents, or subcontractors.
- G. The successful seller will maintain adequate insurance coverage for the duration of the contract to cover cost of replacement or repair of any breakage caused by carelessness, negligence, or lack of skill, etc. on the part of the vendor's employees in the performance of required deliveries. This will include bodily and property damage and any such other items.



H. Seller and its parent company shall be jointly and severally liable for all liabilities, warranties and obligations assumed by Seller under this Contract.

ARTICLE VIII. Price

- A. Price contracted for fuel delivered shall be per barrel of 42 U.S. gallons, volume corrected to a temperature of sixty degrees (60°F) Fahrenheit.
- B. For each barrel of delivered fuel, the price to be paid will consist of an escalator plus a fixed price differential with a sixty (60) day credit term for barge/vessel deliveries and a thirty (30) day credit term for tank truck deliveries.
- C. The unit price in dollars per barrel (\$/bbl.) has to be computed using a fixed price differential plus an escalator factor, taking as reference the delivery date. The fixed price differential is \$7.70 per barrel for barge/vessel deliveries and \$8.61 for tank truck deliveries. The escalator will be calculated using the Platt's Oilgram Price Report and Argus US Products, corresponding to the effective date of the posting at the time the fuel delivery commences, the day before, and the day after the fuel delivery, each one of these evaluated utilizing the following formula:

Fifty percent (50%) of ULSD fuel from the average of quotations for the "New York/Boston" (Barge) and "US Gulf Coast (Waterborne)" as published by the <u>Platt's Oilgram Price Report</u>; rounded to four (4) decimal places.

Plus fifty percent (50%) of ULS Diesel from the average of quotations for the "New York Waterborne" and "US Gulf Coast Waterborne" as published by the <u>Argus US Products</u> rounded to four (4) decimal places; said result must be then multiplied by 0.42 to convert from cents per gallon to dollars per barrel.





Final number is to be rounded to four (4) decimal places. The price for a fuel delivery shall be based on:

- 1. The day the vessel commences the discharge, if the fuel is delivered via barge or vessel; or
- 2. The day when the delivery commences, if the fuel is delivered by tank to tank transfer.

In any of the two cases, should delivery date, the day before, or the day after take place on Saturday, Sunday or on a Holiday, the effective prices appearing in the last editions of <u>Platt's Oilgram Price Report</u> and <u>Argus U.S. Products</u>, published before any of these dates will be utilized to readjust the prices.

PREPA has provided a sample calculation of the escalation factor, which appears as Exhibit C, Sample Calculation Escalation Factor, of this Contract.

D. Excise tax and municipality patent payment are to be presented as separate line items and the same are in addition to the contracted price. PREPA will reimburse Seller the amount corresponding to the payment of the municipality patent, once the Seller presents PREPA evidence, issued by the Municipality, with respect to the percentage established as a basis for the calculation of the amount to be paid as such patent. If, during the term of the Contract, the agreed percent changes, Seller shall immediately present PREPA the corresponding evidence, issued by the Municipality and reflect it in the invoice.

E. Seller shall invoice each delivery with corresponding PREPA's assigned shipment number. Copies of the inspector's certificates of quantity and quality

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shall be included with the invoices. Such invoices shall be paid by PREPA in U.S. currency sixty (60) days after completion of delivery of fuel for barge/vessels or thirty (30) days after completion for tank truck deliveries, having in mind that PREPA will pay on the basis of received quality and quantity.

- F. The risk and title will be borne by the Seller until fuel oil passes PREPA's intake flange at the respective generating stations.
- G. Subject to any payment default by PREPA under any contract with the Seller, Seller shall provide PREPA with a credit cap of forty-five million dollars (\$45,000,000) ("Credit Cap"). PREPA will have sixty (60) days to pay for barge/vessels deliveries or thirty (30) days for tank truck deliveries, after both, completion of deliveries of product and after the receipt of the invoice and all the necessary documents for making payments by PREPA's Fuels Office (including without limitation the documents as required by Articles XII(C) and (E)), provided that PREPA may not owe Seller, at any time, any amount(s) in excess of the Credit Cap (includes invoices not paid by their due date) and provided further that upon any payment default by PREPA under any contract with the Seller, all amounts owed to Seller shall become immediately due and payable.

Past due balances as per contractual terms will accrue interest at the lower of (i) the daily "Prime Rate" as quoted by the Wall Street Journal or (ii) the maximum rate of interest allowed by law.

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H. The obligations to Seller shall be entitled to administrative expense status and priority in PREPA's Title III case, and shall not be dischargeable under any plan in PREPA's Title III case. Neither PREPA nor any of its representatives shall assert, nor assist or facilitate any other party in asserting, directly, or indirectly (including through the prosecution or support of any plan), that the obligations to Seller are not entitled to such status and priority or are dischargeable in the Title III case. For the avoidance of doubt, PREPA agrees that this stipulation shall be admissible in PREPA's Title III case. Moreover, and without prejudice to the foregoing, in no event shall the obligations to Seller under this Contract be treated any less favorably than any other post-petition fuel supplier under a plan in PREPA's Title III case.

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I. This Contract will have the approximate cost of \$265,500,000.

All Payments under this Contract will be charged to accounts:

1-2321-23215-000-000 and 01-4009-50100-010-598.

ARTICLE IX. PRICE PROTECTION

The parties will have the right to price protection of the fuel being delivered, except as provided for in the Article XIV, Force Majeure, of this Contract. Price protection is to be applied to those deliveries not made within the agreed delivery window, as mentioned in Article III, Delivery and Title, of this Contract. Price protection is hereby defined for Seller as the highest price between the price for the last day of



the delivery window or actual delivery date as calculated in Article VIII, Price, of this Contract. Conversely, price protection for PREPA will be the lowest price between the price for the last day of the delivery window or actual delivery date as calculated in Article VIII, Price, of this Contract.

ARTICLE X. DUTIES AND TAXES

The contracted price shall include all taxes, fees or established import tariffs for foreign material with the exception of Puerto Rico's excise tax and municipality patent payment, which are to be presented as separate line items and the same are in addition to the contracted price. In the event that any new or increased taxes, fees, or tariffs, applicable to the product being supplied hereby are levied by Federal and/or Commonwealth of Puerto Rico Government, and as long as these taxes, fees, or tariffs do not discriminate whether the product is domestic or foreign, these will be passed on in their entirety to PREPA; any changes up or down in these taxes, fees, or tariffs, should they be imposed, will be reflected in the price in its entirety and Seller will adjust the price accordingly. However, should said new or increased taxes, fees, or tariffs discriminate whether the product is domestic or foreign and said new or increased taxes, fees, or tariffs result in a lower price for domestic fuel, the Seller must supply fuel which results in the lowest cost to PREPA. Should domestic fuel be unavailable, the parties shall meet within five (5) days from Seller's notification to PREPA that the lowest priced fuel is





unavailable, or at PREPA's request, to discuss fuel availability from other sources and negotiate the financial aspect of any taxes, fees, or tariffs applicable to the product. If an agreement cannot be reached, either party shall have the right to terminate the Contract.

ARTICLE XI. GUARANTEED CALORIFIC VALUE

A. The Seller guarantees that the minimum calorific values of the fuel supplied hereunder shall be as specified herein, or as quoted by the Seller, whichever is the higher. However, PREPA will not pay any premium for calorific values in excess of the minimum established in Exhibit A, Fuel Specifications.

B. During any delivery by the Seller, in which the fuel falls to meet such guarantee, the deficiency shall be determined in barrels, calculated on the basis of the example attached as Exhibit B, Sample Calculation BTU Deficiency Adjustment, of this Contract. The deficiency, thus calculated, shall serve as a credit deficiency occurred for an equivalent number of barrels before computing the fuel billings for such invoice.

ARTICLLE XII. MEASUREMENTS AND PAYMENT

A. The quantity of fuel oil delivered to PREPA shall be computed by measurements in PREPA's on-shore tanks, and such measurements, unless otherwise mutually agreed, are to be conducted by an independent inspector accredited by US Customs and Border Protection as per Title 19 CFR 151.13 and qualified by





PREPA. The inspection cost shall be borne equally between PREPA and the Seller. All measurements shall be corrected to sixty degrees (60°F) Fahrenheit, using ASTM Petroleum measurements Table 6-B. Quantities certified by the independent inspector's report will be binding for both parties.

B. All invoices submitted by the Seller shall be paid by PREPA in U.S. currency within sixty (60) days for barge/vessel deliveries or thirty (30) days for tank truck deliveries, after both, completion of delivery of fuels and after the receipt of the invoice and all the necessary documents for making payments by PREPA's Fuels Office.

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C. Invoices must also include a written and signed certification stating that no officer or employee of PREPA, and their respective subsidiaries or affiliates, will personally derive or obtain any benefit or profit of any kind from this Contract, with the acknowledgment that invoices that do not include this certification will not be paid. This certification must read as follows:

We certify under penalty of absolute nullity that no public servant of PREPA is a party or has any interest in the benefit or profit product of the Contract which is the basis of this invoice. If such benefit or profit exists, the required waiver has been obtained prior to entering into the Contract. The only consideration to be received in exchange for the delivery of Services 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 Services have been rendered, and no payment has been received.

Seller's Signature



D. All the billings and requests for payment shall be mailed to:

Puerto Rico Electric Power Authority Attention: Fuels Office PO Box 364267 San Juan, Puerto Rico 00936-4267

E. For tank truck deliveries, fuel shall be measured at the Seller facilities using calibrated meters and corrected to sixty degrees Fahrenheit (60°F) from the average loading temperature obtained from the appropriate measuring devices and using the factors provided by the American Society for Testing Materials (ASTM) Table 6B. Each tank truck delivery will be accompanied by; i) Order confirmation, ii) Bill of Lading (BOL), iii) Seal's report from an independent inspector, iv) Certificate of Analysis (COA). Each invoice for a tank truck delivery shall be accompanied by a copy of the delivery ticket or BOL properly signed by PREPA's duly authorized representative. For the purpose of determining the quantity delivered, the BOL figures at sixty degrees Fahrenheit (60°F) will be used. All the tank trucks shall have all hatches and outlet valves properly locked with metallic seals at the time the delivery is to commence. Otherwise the product will not be accepted by PREPA.

ARTICLE XIII. SALES TO OTHERS

If the Seller sells or offers for sale to others in Puerto Rico burnable fuel of a quality comparable or superior to that of fuel to be supplied hereunder for delivery in Puerto Rico or elsewhere, at F.O.B. supplier terminal prices per BTU lower than





those payable for fuel hereunder, Selier shall so notify PREPA immediately and extend to PREPA such lower price as from the date of such sale or offer for sale. The lower price shall apply to a quantity of fuel sold by Seller to PREPA hereunder equivalent to the number of barrels of fuel sold or offered by Seller at such lower price, but in no case shall this lower price be applicable to a quantity less than the average quantity received during a two-week (2) period.

ARTICLE XIV. FORCE MAJEURE

The parties hereto shall be excused from performing hereunder, and shall not be liable in damages or otherwise, if and only to the extent that they shall be unable to perform, or are prevented from performing by a force majeure event. For the purpose of this Contract, force majeure means any cause without the fault or negligence, and beyond the reasonable control of, the party claiming the occurrence of a force majeure event. Force majeure may include, but not be limited to, the following: acts of God, industrial disturbances, acts of the public enemy, war, blockages, boycotts, riots, insurrections, epidemics, earthquakes, storms, floods, civil disturbances, lockouts, fires, explosions, interruptions of services due to the acts or fallure to act of any governmental authority, provided that these events, or any other claimed as a force majeure event, and/or its effects, are beyond the reasonable control and without the fault or negligence of the party claiming the force majeure, and that such party, within ten (10) days after the





occurrence of the alleged force majeure, gives the other party written notice describing the particulars of the occurrence and its estimated duration. The party claiming the force majeure shall continue the performance of its obligations hereunder immediately after the conclusion of the force majeure. In the event that the force majeure extends for a period of more than sixty (60) consecutive days, the party not claiming the force majeure may terminate this Contract without further obligation. The burden of proof as to whether a force majeure has occurred shall be on the party claiming the force majeure. Notice of termination under this provision shall create no liability to the parties, except that the parties shall still be responsible for the payments of amounts due and owing to the other party not subject to claims.



ARTICLE XV. PREFERRED CLIENT

Seller recognizes that PREPA provides an essential service for the Commonwealth of Puerto Rico. Should any force majeure event cause the Seller to suspend or reduce deliveries, the Seller shall give PREPA first priority for supply.

ARTICLE XVI. PERFORMANCE BOND AND INSURANCE

A. Upon execution of the Contract, Seller will furnish a Performance Bond payable to the order of PREPA Issued by a qualified surety company, authorized to do business in Puerto Rico and acceptable to PREPA, in an amount of \$13,275,000, equivalent to five percent (5%) of the estimated Contract value.



PREPA will accept a Letter of Credit for the same amount in lieu of a Performance Bond, provided that the Letter of Credit shall incorporate the following conditions to be acceptable to PREPA:

- a. To be issued or notified and confirmed by a local bank in Puerto Rico,
- b. To be unconditional and irrevocable,
- c. Payments to be made by Issuing bank on a business day by wire transfer, immediately after PREPA's instructions,
- d. To be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico, applicable to contracts entered and performed solely within Puerto Rico, without giving effect to any conflicts or choice of law principles which otherwise might be applicable, except to the extent such laws are inconsistent with the uniform customs and practices for documentary credits,
- e. Final draft of the Letter of Credit shall be subject to approval by PREPA's Treasurer.
- B. Seller shall secure and maintain in full force and effect during the life of this Contract as provided herein, policies of insurance covering all operations engaged in by the Contract as follows:
- 1. Commonwealth of Puerto Rico Workmen's Compensation Insurance:

Seller shall provide Workmen's Compensation Insurance as required by the Workmen's Compensation Act 45-1935 of the Commonwealth of Puerto Rico.



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Seller shall also be responsible for compliance with said Workmen's Compensation Act by all its subcontractors, agents, and invitees, if any.

Seller shall furnish a certificate from the Puerto Rico's State Insurance Fund showing that all personnel employed in the work are covered by the Workmen's Compensation Insurance, in accordance with this Contract.

2. Employer's Liability Insurance:

Seller shall provide 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 the Seller as 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 Workmen's Compensation Act of the Commonwealth of Puerto Rico.

3. Commercial General Liability Insurance:

Seller shall provide a Commercial General Liability Insurance with limits of \$1,000,000 per occurrence and \$1,000,000 aggregate.

4. Commercial Automobile Liability Insurance:

Seller shall provide a Commercial Automobile Liability Insurance with limits of \$1,000,000 combined single limit covering all owned or scheduled autos, non-owned autos, and hired autos. Under this insurance, the MCS-90 (Motor Carrier Endorsement), must be included.





5. Pollution Liability Insurance:

Seller shall provide a Pollution Liability Insurance with limits of \$10,000,000 per claim and \$10,000,000 per aggregate.

Requirements Under the Policies:

The Commercial General Liability and Commercial Automobile Liability Insurance required under this Contract shall be endorsed to include:

a. As Additional Insured:

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

- b. A thirty (30) day cancellation or nonrenewable notice to be sent to the above address.
- c. An endorsement including this Contract under contractual liability coverage and identifying it by number, date, and parties to the contract.
- d. Walver of Subrogation in favor of Puerto Rico Electric Power Authority (PREPA).
- e. Breach of Warranties or Conditions:

"The Breach of any of the Warranties or Conditions in this policy by the Insured shall not prejudice PREPA's rights under this policy."

Furnishing of Policies:

All required policies of insurance shall be in a form acceptable to PREPA and shall be issued only by insurance companies authorized to do business in Puerto Rico.



Seller shall furnish a certificate of insurance in original signed by an authorized representative of the insurer in Puerto Rico, describing the coverage afforded.

ARTICLE XVII. CONTINGENT FEES

A. Seller warrants that it has not employed any person to solicit or secure the Contract upon any agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warranty will give PREPA the right to immediately terminate the Contract and/or to deduct from any payment the amount of such commission, percentage, brokerage, or contingent fee or to claim said amount by whatever means available under the law.

B. No officer, employee, or agent of PREPA or of the Commonwealth of Puerto Rico or Municipal Governments shall be admitted to any share or part of this Contract or to any benefit that may arise therefrom.

C. Seller represents and warrants that it is authorized to enter into, and to perform its obligations under this Contract and that it is not prohibited from doing business in Puerto Rico or barred from contracting with agencies or instrumentalities of the Commonwealth of Puerto Rico.

ARTICLE XVIII. COMPLIANCE WITH THE COMMONWEALTH OF PUERTO RICO CONTRACTING REQUIREMENTS

The Seller will comply with all applicable Law, Regulations, or Executive Orders that regulate the contracting process and requirements of the Commonwealth of Puerto Rico.

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A. Filing of Puerto Rico Income Tax Returns

In compliance with Executive Order Number OE-1991-24 of June 18, 1991, the Seller hereby certifles that it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last five (5) years. As evidence thereof, Seller has delivered to PREPA an Income Tax Return Filing Certiflicate, Issued by the Treasury Department of Puerto Rico assuring that Seller has filed his Income Tax Return for the last five (5) tax years (Form SC 6088). The Seller accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every Seller and Subcontractor whose service the Seller has secured in connection with the services to be rendered under this Contract and shall forward evidence to PREPA as to its compliance with this requirement.



B. Payment of Puerto Rico Income Taxes

In compliance with Executive Order Number OE-1991-24 of June 18, 1991, the Seller, hereby certifies that it has complied and is current with the payment of all income taxes that are, or were due, to the Government of Puerto Rico. As evidence thereof, Seller has delivered to PREPA a certification issued by the Treasury Department of Puerto Rico indicating that Seller 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 (Form SC 6096). During the term of this Contract, the



Seller agrees to pay and/or to remain current with any repayment plan agreed to by the Seller with the Government of Puerto Rico. The Seller accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each Subcontractor whose service the Seller has secured in connection with the services to be rendered under this Contract and shall forward evidence to PREPA as to its compliance with this regulrement.

C. Compliance with Requirements of the Department of Labor and Human Resources of the Commonwealth of Puerto Rico.

Pursuant to Executive Order Number 1992-52, dated August 28, 1992 amending OE-1991-24, the Seller certifies and warrants that it has made all payments required for unemployment benefits, workmen's compensation and social security for chauffeurs, whichever is applicable, or that in lieu thereof, has subscribed a payment plan in connection with any such unpaid items and is in full compliance with the terms thereof. As evidence thereof, Seller has delivered to PREPA:

 A certification issued by the Bureau of Employment Security (Negociado de Seguridad de Empleo) of the Puerto Rico Department of Labor and Human Resources certifying that Seller does not owe taxes regarding Unemployment or Disability Insurance.





- A certification issued by the Program for Social Security for Chauffeurs and Other Employees of the Puerto Rico Department of Labor and Human Resources certifying that Seller has no debt with respect to such program.
- D. Real and Personal Property Taxes

Seller hereby certifies and guarantees that it does not have any current debt regarding property taxes that may be registered with the Government of Puerto Rico's Municipal Tax Collection Center (Centro de Recaudación de Ingresos Municipales ("CRIM")). The Seller further certifies to be current with the payment of any and all property taxes that are or were due to the Government of Puerto Rico. The Seller shall provide:

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1. A certification issued by the Municipal Revenues Collection Center ("MRCC"), assuring that Seller does not owe any tax accruing during the last five (5) years to such governmental agency with respect to personal property; or negative Debt certification issued by the MRCC with respect to personal property taxes and a sworn statement executed by Seller Indicating that (I) its revenues are derived from the rendering of professional services, (ii) during the last five (5) years (or the time in which it has been providing professional services) it has had no taxable business or personal property on the 1st of January of each year, (iii) that for such reasons it has not been required to file personal property tax returns, as required under



Article 6.03 of Act 83-1991, as amended and (iv) that for such reason it does not have an electronic tax file in the MRCC's electronic system.

All Concepts Debt Certification issued by the MRCC assuring that Seller
does not owe any taxes to such governmental agency with respect to real
and personal property; or Negative certification issued by the MRCC with
respect to real property taxes.

E. Sales and Use Taxes

The Seller has delivered to PREPA:

- A Puerto Rico Sales and Use Tax Filing Certificate, issued by the Treasury
 Department of Puerto Rico assuring that Seller has filed his Puerto Rico
 Sales and Use Tax for the last sixty (60) contributory periods.
- A copy of Seller's Certificate of Merchant's Registration issued by the Treasury Department of Puerto Rico.

F. Puerto Rico Child Support Administration (ASUME)

Seller hereby certifles that it is not duty bound to pay child support, or if so, that Seller is up to date or has a payment plan to such effects. As evidence thereof, the Seller has delivered to PREPA a certification issued by the Puerto Rico Child Support Administration (*Administración Para El Sustento de Menores (ASUME*)) certifying that the Seller does not have any debt, outstanding debt, or legal procedures to collect child support payments that may be registered with ASUME.





G. Organization Documents

The Seller shall provide:

- A Good Standing Certificate issued by the Department of State of Puerto Rico.
- A Certification of Incorporation, or Certification of Organization or Certificate
 of Authorization to do business in Puerto Rico issued by the Department of
 State of Puerto Rico.

H. Compliance with Act 1 of Governmental Ethics

The Seller will certify compliance with Act 1 - 2012, as amended, known as the Ethics Act of the Government of Puerto Rico, which stipulates that no employee or executive of PREPA nor any member of his or her immediate family (spouse, dependent children, or other members of his or her household or any individual whose financial affairs are under the control of the employee) shall have any direct or indirect pecuniary interest in the services to be rendered under this Contract, except as may be expressly authorized by the Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government. 3 L.P.R.A. § 8611 et seq.

1. Law 168-2000: Law for the Strengthening of the Family Support and Livelihood of Elderly People

The Seller will certify that if there is any Judicial or Administrative Order demanding payment or any economic support regarding Act 168-2000, as



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amended, the same is current and in all aspects in compliance. Act 168-2000 "Law for the Strengthening of the Family Support and Livelihood of Elderly People" in Spanish: "Ley para el Fortalecimiento del Apoyo Familiar y Sustento de Personas de Edad Avanzada", 3 L.P.R.A. §8611 et seq.

- J. Law 127 2004: Contract Registration in the Comptroller's Office of Puerto Rico Act
 - Payment for Services under this Contract will not be made until this Contract is properly registered in the Office of the Comptroller of the Government of Puerto Rico pursuant to Law Number 18 of October 30, 1975, as amended.
- K. Prohibition with respect to execution by public officers: (3 L.P.R.A. 8615(c))
 No public officer or employee authorized to contract on behalf of the executive agency for which he/she works may execute a contract between the agency for which he/she works and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.
- L. Prohibition with respect to contracting with officers or employees: (3 L.P.R.A. 8615(d))

No executive agency may execute a contract in which any of its officers or employees or any member of their family units has or has had direct or indirect economic interest during the last four (4) years prior to their holding office, unless the Governor gives authorization thereto with the previous recommendation of the Secretary of the Treasury and the Secretary of Justice.



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- M. Prohibition with respect to contracts with officers and employees of other Government entities: (3 L.P.R.A. 8615(e))
 - No public officer or employee may be a party to or have any interest in any profits or benefits produced by a contract with any other executive agency or government dependency unless the Governor gives express authorization thereto with previous recommendation from the Secretary of the Treasury and the Secretary of Justice.
- N. Prohibition with respect to evaluation and approval by public officers: (3 L.P.R.A. 8615(f))
 - No public officer or employee who has the power to approve or authorize contracts shall evaluate, consider, approve, or authorize any contract between an executive agency and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.
- O. Prohibition with respect to execution by public officers contracts with former public officers: (3 L.P.R.A. 8615(h))
 - No executive agency shall execute contracts with or for the benefit of persons who have been public officers or employees of said executive agency until after two (2) years have elapsed from the time said person has ceased working as such.





P. Dispensation

Any and all necessary dispensations have been obtained from any government entity and that said dispensations shall become part of the contracting record.

Q. Rules of Professional Ethics

The Seller acknowledges and accepts that it is knowledgeable of the rules of ethics of his or her profession and assumes responsibility for his or her own actions.

R. Anti-Corruption Code for a New Puerto Rico

- Seller agrees to comply with the provisions of Act 2-2018, as the same may be amended from time to time, which establishes the Anti-Corruption Code for a New Puerto Rico.
- The Seller hereby certifies that it does not represent particular interests in cases or matters that imply a conflict of interest, or of public policy, between the executive agency and the particular interests it represents.
- 3. Seller shall furnish a sworn statement to the effect that neither Seller nor any president, vice president, executive director or any member of a board of officials or board of directors, or any person performing equivalent functions for Seller has been convicted of or has pled guilty to any of the crimes listed 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 or any of the crimes included in Act 2-2018.





- 4. Seller hereby certifies that it has 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, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves 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.
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- 5. PREPA shall have the right to terminate the Contract in the event Seller is 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 typifled in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico, or any other felony that involves 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.

S. Provisions Required under Act 14-2004:

Seller agrees that articles extracted, produced, assembled, packaged, or distributed in Puerto Rico by enterprises with operations in Puerto Rico, or distributed by agents established in Puerto Rico shall be used when the service is rendered, provided that they are available.

T. The Parties acknowledge that the Seller has submitted the certification titled "Contractor Certification Requirement" required in accordance with the Contract Review Policy of the Financial Oversight and Management Board for Puerto Rico, effective as of November 6, 2017, as amended, signed by the Seller's Executive Director (or another official with an equivalent position or authority to issue such certifications). A signed copy of the "Contractor Certification Requirement" is included as an annex to this Contract.

The Seller represents and warrants that the information included in the Contractor Certification Requirement is complete, accurate and correct, and that any misrepresentation, inaccuracy of falseness in such Certification will render the Agreement null and void and the Seller will have the obligation to reimburse immediately to the Commonwealth any amounts, payments or benefits received from the Commonwealth under the Agreement.





- U. For this Contract, the transfer of skills and technical knowledge required by the Certified Fiscal Plan is inapplicable given the non-recurring or specialized nature of the contracted services.
- V. Consequences of Non-Compliance

The Seller expressly agrees that the conditions outlined throughout this Article are essential requirements of this Contract. Consequently, should any one of these representations, warranties, or certifications be incorrect, inaccurate, or misleading, in whole or in part, there shall be sufficient cause for PREPA to render this Contract null and void, and the Seller shall reimburse PREPA all moneys received under this Contract. If any of the certifications listed in items A through F of this Article shows a debt, and Seller has requested a review or adjustment of this debt, Seller hereby certifies that it has made such request at the time of the Contract execution. If the requested review or adjustment is denied and such determination is final, Seller will provide, immediately, to PREPA a proof of payment of this debt; otherwise, Seller accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments. The Seller accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every Contractor and Subcontractor whose service the Seller has secured in connection with the services to be rendered under this Contract





and shall forward evidence to PREPA as to its compliance with this requirement.

ARTICLE XIX. SAVE AND HOLD HARMLESS

Seller agrees to save and hold harmless and to indemnify PREPA for all expenses and costs of any nature (including attorneys' fees) incurred by PREPA arising out damages, caused by Seller, by act or omission, in the performance or nonperformance of its obligations under the Contract.

ARTICLE XX. CONTRACT ASSIGNMENT

A. This Contract, as well as any of the rights, duties, liabilities, and obligations under it, cannot be assigned, transferred, subcontracted, hypothecated, or otherwise disposed of by the Seller without the previous written consent of PREPA.

B. PREPA does not favor requests for assignment, transfers, hypothecation, or other type of disposal of the Contract, and/or duties and obligations under it, and will be reluctant to approve any request to that effect, unless, in the judgment of PREPA, the particular circumstances of the request warrant its approval and the assignment, transfer, hypothecation, or disposal does not operate against PREPA's best interests.

ARTICLE XXI. TRANSFER OF FUNDS

If Seller decides to assign or transfer an amount, due or payable, to which it is entitled for services rendered or goods provided during the term of this Contract,

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FUEL PURCHASE CONTRACT SAN JUAN, PALO SECO, AGUIRRE, MAYAGÜEZ, CAMBALACHE, AND GAS TURBINES GENERATING STATIONS Page 47

Seller shall notify PREPA of such transfer of funds, in accordance to the provisions of Act 21-2012, as amended. Said notice shall clearly indicate the rights granted, including a copy of the contract under which the assignment or transfer of funds is made, the exact amount of funds to be assigned or transferred, and specific identification information regarding the assignee (full name of the person or company), address, and any other contact information.

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Seller acknowledges and agrees that PREPA may deduct any amount, due or payable under this Contract, that Seller owes; PREPA may retain any said amount if Seller fails to fulfill its obligations and responsibilities under this Contract, or a claim arises for warranty or defects regarding the services rendered or goods provided under this Contract. Seller also acknowledges and agrees that PREPA's payment obligation under any assignment of funds will cease upon payment of the outstanding amounts under this Contract. PREPA shall not be required to make payments or transfer any funds for an amount that exceeds the payment to which Seller is entitled to under this Contract.

Seller's aforementioned notice of assignment of funds shall be accompanied by a cashier's check or money order payment of two hundred dollars (\$200), payable to "Puerto Rico Electric Power Authority", for administrative costs for processing said assignment.



FUEL PURCHASE CONTRACT SAN JUAN, PALO SECO, AGUIRRE, MAYAGÜEZ, CAMBALACHE. AND GAS TURBINES GENERATING STATIONS Page 48

ARTICLE XXII. NOTICES

A. Any notice to be given hereunder shall be in writing and will be sufficiently served when delivered in person or properly mailed to the following addresses:

To PREPA: Puerto Rico Electric Power Authority

Attention: Fuels Office Manager

PO Box 364267

San Juan, Puerto Rico 00936-4267

To Seller:

Novum Energy Trading Inc.

Attn. Frank Rexach, Director

3200 Kirby Drive **Suite 1000**

Houston, Texas 77098

B. Either Seller or PREPA, upon any change of its address as set forth above, shall notify the other party in writing and from and after giving of such notice, the address therein specified shall be deemed the address of such party for the giving of notices.

ARTICLE XXIII. MODIFICATIONS AND NOVATION

No modification, change, renewal, extension, discharge, or waiver of this Contract, or any of the provisions herein contained, shall be valid and binding except by a written, mutual agreement of the Parties executed by a duly authorized officer of each party.

PREPA and Seller expressly agree that no amendment or change order which could be made to Contract, during its term, shall be understood as a contractual novation, unless both Parties agree to It, specifically and in writing. The previous





FUEL PURCHASE CONTRACT SAN JUAN, PALO SECO, AGUIRRE, MAYAGÜEZ, CAMBALACHE, AND GAS TURBINES GENERATING STATIONS Page 49

provision shall be equally applicable in such other cases where PREPA gives the Seller a time extension for the compliance of any of its obligations under this Contract, or where PREPA dispenses the claim or demand of any of its credits or rights under the Contract.

ARTICLE XXIV. CHOICE OF LAW AND VENUE

This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico. Also, other than matters relating to PREPA's Title III case, which shall be heard by the District Court, the contracting parties expressly agree that only the commonwealth courts of Puerto Rico will be the courts of competent and exclusive jurisdiction to decide over the judicial controversies that the appearing parties may have among them regarding the terms and conditions of this Contract.

ARTICLE XXV. SEPARABILITY

If a court of competent jurisdiction declares any of the Contract provisions as null or invalid, such holding will not affect the validity and effectiveness of the remaining provisions of the Contract and the Parties agree to comply with their respective obligations under such provisions not included by the judicial declaration.

ARTICLE XXVI. COURT APPROVAL

PREPA shall not be required to obtain approval of this Contract by the District Court in PREPA's Title III case, and represents and warrants that no such approval



FUEL PURCHASE CONTRACT SAN JUAN, PALO SECO, AGUIRRE, MAYAGÜEZ, CAMBALACHE, AND GAS TURBINES GENERATING STATIONS Page 50

is required, provided, however, that (x) if PREPA (or the Oversight Board on its behalf) seeks Court-approval for any other post-petition contract with a fuel supplier, PREPA shall also do so for this Contract, nunc pro tunc to the Contract's effective date, and (y) the fact that District Court approval may occur does not reflect either party's or the Oversight Board's belief that such court approval is necessary to obtain administrative expense and priority, or any of the other provisions contained in this Contract.

ARTICLE XXVII. ENTIRE CONTRACT

This Contract constitutes the entire agreement of the parties as to the subject matter; however, should there be any difficulty or differences in understanding, interpreting, or applying its terms, the parties shall look for guidance and directives within the terms and conditions of the corresponding Request for Proposal, Specifications, Seller's Proposal, and Letter of Award.

IN WITNESSES WHEREOF, the Parties here to have caused this Contract to be duly executed as of Name 18, 22, at San Juan, Puerto Rico.

Puerto Rico Electric Power Authority

Novum Energy Trading Inc.

Josué A. Colón Ortiz Executive Director

EIN: 660-43-3747

Christopher John Scott Chief Financial Officer

EIN:46-1332185

Email:cs@novumenergy:

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Exhibit A

NO. 2 FUEL OIL SPECIFICATIONS

PARAMETER	ASTM METHOD	CAMBALACHE	SAN JUAN CC	MAYAGUEŻ	ALL OTHER UNITS
		MIN - MAX	MIN - MAX	MIN - MAX	MIN - MAX
SAMPLING	D-4057				
GRAVITY, API DEGREE AT 60F	D-287, D-4052	30.0 - 42.0	30.0 - 42.0	30.0 - 42.0	30.0 - 42.0
VISCOSITY, KINEMATIC CTS AT 100F	D-445, D2161	2.3 -5.8	2 .3 -5. 8	2.3 -5.8	2.3 -5. 8
WATER & SEDIMENT, % VOLUME	D-473	MAX 0.1	MAX 0.1	MAX 0.1	MAX 0.1
FLASH POINT, DEGREE F, PMCT	D-93	MIN 125	MIN 125	MIN 125	MIN 125
SULFUR, % WEIGHT	D-4294	MAX 0.15	MAX 0.050	MAX 0.09	MAX 0.50
ASH, % WEIGHT	D-482	MAX 0.005	MAX 0.005	MAX 0.005	MAX 0.005
POUR POINT, DEGREE F	D-97	MAX 15	MAX 15	MAX 15	MAX 15
SODIUM + POTASSIUM, PPM	D-5863	MAX 0.5	MAX 0.5	MAX 0.5	MAX 0.5
VANADIUM, PPM	D-3605, D-5863	MAX 0.5	MAX 0.5	MAX 0.5	MAX 0.5
CALCIUM, PPM	D-586 3	MAX 0.2	MAX 0.2	MAX 0.2.	MAX 0.2
HEATING VALUE, BTU/LB (GROSS) AT 60F *	D-240	MIN 18,600 *	MIN 18,600 *	MIN 18,600 *	MIN 18,600 *
DISTILLATION TEMP 90% POINT F	D-86	MAX 650	MAX 650	MAX 650.	MAX 650
CARBON RESIDUE WT. % (10% BOTTOMS)	D-524	MAX 1.0	MAX 1.0	MAX 1.0	MAX 1.0
FILTERABLE PARTICULATES MG/100ML	D-2276	MAX 4	MAX 4	MAX 4	MAX 4
CETANE INDEX	D-4737	40 - 56	40 - 56	40 - 56	NOT REGULATED
COLOR	VISUAL	UNDYED	UNDYED	UNDYED	UNDYED
LEAD PPM	D-5863	0.01 - 1.0	0.01 - 1.0	0.01 - 1.0	0.01 - 1.0
FUEL BOUND NITROGEN, % WEIGHT	D-4629	MAX 0.055	0.015	MAX 0.10	0.015

^{* =} requirement is gross heating value, but net heating value should be also included for our operations calculations

Revised August, 2021



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SAMPLE CALCULATION BTU DEFICIENCY ADJUSTMENT

Example of calculation to determine credit due to PREPA if Seller supplies fuel of lower heat content than the guaranteed Btu value. The contracted value is 18,600 Btu per pound of fuel measured at 60 degrees F (Gross).

Assume Seller delivers 50,000 barrels of fuel measured at 60 degrees F.

Assume the quality certificate of the fuel indicates a heat content of 18,500 Btu per pound.

Therefore:

To calculate the equivalent barrels deficiency divide the difference of Btus per pound received by the guaranteed minimum and multiply this fraction by the delivered volume.

Example:

 $(50,000 \text{ barrels}) \times ((18,600 - 18,500) / 18,600) = 268.82 \text{ bbl. (deficiency)}$



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SAMPLE CALCULATION ESCALATION FACTOR

Indexes for Ultra Low Sulfur Diesel

	Platts NY		Platts USGC		Argus NY		Argus USGC	
	Low	High	Low	High	Low	High	Low	High
01/02/17	170.52	170.62	168.92	169.02	169.53	170.13	168.17	168.57
01/03/17	164.57	164.67	163.22	163.32	164.67	165.17	162.17	163.17
01/04/17	166.40	166.50	164.10	164.20	166.15	166_65	163.15	164.25

First step: Average

Platts New York = (170.52+170.62+164.57+164.67+166.4+166.5)/6 = 167.2133

Platts US Gulf Coast = (168.92+169.02+163.22+163.32+164.1+164.2)/6 = 165.4633

Argus New York = (169.53+170.13+164.67+165.17+166.15+166.65)/6 = 167.05

Argus USGC = (168.17+168.57+162.17+163.17+163.15+164.25)/6 = 164.9133

Second step: Interpolation

Platt's ULSD = (167.2133+165.4633)/2 = 166.3383

Argus ULSD = (167.05+164.9133)/2 = 165.9817

Third step: Final calculation

Escalation Factor for a delivery commencing on January 3, 2017

= [1/2(Platts ULSD) + 1/2(Argus ULSD)] *0.42

= $\frac{1}{2}(166.3383) + \frac{1}{2}(165.9817) \times 0.42$

 $= (83.1692 + 82.9908) \times 0.42 = 69.7872$





2022-P00024A

COMMONWEALTH OF PUERTO RICO PUERTO RICO ELECTRIC POWER AUTHORITY

FUEL PURCHASE CONTRACT SAN JUAN, PALO SECO, AGUIRRE, MAYAGUEZ, CAMBALACHE AND GAS TURBINES GENERATING STATIONS

FIRST AMENDMENT

APPEAR

AS FIRST PARTY: The Puerto Rico Electric Power Authority (PREPA), a public corporation and government instrumentality of the Commonwealth of Puerto Rico, created by Act 83 of May 2, 1941, as amended (Act 83), represented in this act by its Executive Director, Josué A. Colón Ortiz, of legal age, married, engineer and resident of Caguas, Puerto Rico. AS SECOND PARTY: Novum Energy Trading Inc. (Seller), a corporation organized and existing under the laws of Delaware duly authorized to do business in Puerto Rico, herein represented by its, Chief Financial Officer, Christopher John Scott, of legal age, married, and resident of Houston, Texas duly authorized to appear in representation of the Seller by Resolution dated October 11, 2021. -----PREPA and Seller are herein individually referred to as a "Party" and collectively referred to as the "Parties". -----WITNESSETH in consideration of the mutual covenants and agreements contained in this Contract, hereinafter stated, the Parties agree themselves, their personal representatives, and successors as follows: -----





FIRST AMENDMENT FUEL PURCHASE CONTRACT
SAN JUAN, PALO SECO, AGUIRRE, MAYAGUEZ, CAMBALACHE
AND GAS TURBINES GENERATING STATIONS
Page 2

STATE

WHEREAS: PREPA, by virtue of Act 83, has the authority to engage those professional
technical and consulting services necessary and convenient to the activities, programs
and operations of PREPA
WHEREAS: PREPA issued a Request for Proposal No. 117081 (RFP) for the supply o
light distillate No. 2 fuel oil at San Juan, Palo Seco, Aguirre, Mayagüez, Cambalache, and
Gas Turbines Generating Stations
WHEREAS: In response to the referred RFP, Seller made an offer to supply said fuel a
San Juan, Palo Seco, Aguirre, Mayagüez, Cambalache, and Gas Turbines Generating
Stations as requested
WHEREAS: The appearing Parties executed Contract 2022-P00024 on November 18
2021, and effective for 1 (one) year
The Seller agrees to sell and deliver to PREPA, a light distillate No. 2 fuel oil in compliance
with the specifications for the San Juan, Palo Seco, Aguirre, Mayaguez, Cambalache
and Gas Turbine Generating Stations all in accordance with Article 1 of the Contract,
Scope of Services
THEREFORE: The appearing Parties hereby agree to enter into this First Amendment
under the following:
TERMS AND CONDITIONS



FIRST AMENDMENT FUEL PURCHASE CONTRACT
SAN JUAN, PALO SEGO, AGUIRRE, MAYAGUEZ, CAMBALACHE
AND GAS TURBINES GENERATING STATIONS
Page 3

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AMENDED AND RESTATED NATURAL GAS SALE AND PURCHASE AGREEMENT

BETWEEN

NATURGY APROVISIONAMIENTOS S.A. AS SELLER

AND

PUERTO RICO ELECTRIC POWER AUTHORITY AS BUYER

DATED AS OF APRIL 2, 2020

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THIS AMENDED AND RESTATED NATURAL GAS SALE AND PURCHASE AGREEMENT dated as of April 2, 2020 (the "Effective Date"),

BETWEEN:

- (1) NATURGY APROVISIONAMIENTOS S.A., a company incorporated under the laws of the Kingdom of Spain, with a place of business at Avenida de San Luis 77, Madrid 28033, Spain (the "Seller"); and
- (2) **PUERTO RICO ELECTRIC POWER AUTHORITY**, a public corporation and governmental instrumentality of the Commonwealth of Puerto Rico, created by an Act of 2 May 1941, No. 83, as amended, with its principal place of business at P.O. Box 363928, San Juan, Puerto Rico 00936-3928 (the "Buyer") (each of Buyer and Seller a "Party" and, together, the "Parties").

RECITALS:

- (A) EcoEléctrica, L.P., a limited partnership organized under the laws of Bermuda (the "Owner") owns and operates an LNG terminal consisting of one LNG tank and related marine pier facilities located in the vicinity of Peñuelas, Puerto Rico (the "LNG Facilities").
- (B) Seller and Owner are parties to an amendment and restatement of the Tolling Service Agreement dated 31 October 1997 as amended (the "Restatement TSA"), which provides the Seller with capacity rights at the LNG Facilities and the right to perform, or cause to be performed, certain LNG Tolling services at the LNG Facilities, subject to the terms established thereof.
- (C) Buyer and Seller entered into the Natural Gas Sale and Purchase Agreement, dated as of March 28, 2012, as amended on March 10, 2014, May 11, 2015, and June 29, 2017 (the "Pre-Restatement GSPA") for the supply of Natural Gas to units 5 & 6 of Buyer's generation facility, located at Costa Sur, Puerto Rico (the "Costa Sur Units"), which will expire on December 31, 2020.
- (D) Buyer intends to enter into the Amended & Restated Power Purchase and Operating Agreement on or about the date hereof with Owner (the "Restatement PPOA") under which (i) Owner will continue selling, and Buyer will continue purchasing, generation capacity, made available at Owner's facility at Peñuelas (the "ECO Generation Facility") through an extended term that commences on the "Effective Date" (as defined in the Restatement PPOA) and expires on September 30, 2032 (the "Extended Term"), and (ii) Buyer will make available Natural Gas to such facility for conversion by the Owner into electric generation capacity and net electric output, during the Extended Term.
- (E) On July 2, 2017, Buyer commenced proceedings under Title III of the Puerto Rico Oversight, Management and Economic Stability Act ("PROMESA") before the District Court for the District of Puerto Rico (the "PROMESA Court"), administered under Case No. 17-4780 (LTS) (the "PROMESA Case").



- (F) Buyer desires to purchase Natural Gas for (i) delivery to the ECO Generation Facility during the Extended Term, and (ii) delivery to the Costa Sur facility until the retirement of such facility.
- (G) As Seller controls the exclusive rights to the existing capacity of the LNG Facilities through the Restatement TSA, Buyer desires to purchase Natural Gas from Seller as the sole source capable of supplying Natural Gas for delivery to the ECO Generation Facility and Costa Surfacility.
- (H) The Parties desire to enter into this Agreement, which amends and restates the Pre-Restatement GSPA in its entirety.

NOW, THEREFORE, THE SELLER AND THE BUYER HEREBY AGREE as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, except where the context otherwise requires, each of the following words or expressions have the following meanings:

- "Acceptable Assignee" means a Commonwealth Entity or an Acceptable Private Assignee.
- "Acceptable Guarantee" means an Assignee Guarantee executed by an Acceptable Guarantor.
- "Acceptable Guarantor" means any Person meeting the Credit Standards that is approved by Seller to provide an Assignee Guarantee; provided that such approval shall not be unreasonably withheld or delayed.
- "Acceptable Letter of Credit" means an irrevocable, standby letter of credit in form and substance reasonably acceptable to Seller, issued by an Acceptable Letter of Credit Provider with a face value of two (2) *multiplied by* six million (6,000,000) MMBtu *multiplied by* the Max ACQ *divided by* 106 TBtu multiplied *by* the average Contract Price over the twelve (12) months preceding the month of calculating such amount.
- "Acceptable Letter of Credit Provider" means a bank, insurance company, or other financial institution organized or licensed as a branch or agency under the laws of the United States of America that meets the Letter of Credit Issuing Bank Requirements.
- "Acceptable Private Assignee" means a Non-Commonwealth Entity that, upon a Transfer, satisfies as of the Transfer Date, and covenants to maintain in full force and effect during the remaining of the Term, one of the following: (A) full compliance with the Credit Standards; (B) the delivery to Seller of a legal, valid, binding and enforceable Guarantee from an Acceptable Guarantor; or (C) the delivery of an Acceptable Letter of Credit.



- "Additional LNG Facility" shall have the meaning given to it in Clause 26.1.
- "Additional LNG Delivery Point" shall have the meaning given to it in Clause 26.1.
- "Affiliate" means, in relation to a Party, any company, corporation, partnership or other legal entity (in this definition referred to as a "Company"): (a) that is directly or indirectly controlled by such Party; (b) that directly or indirectly controls such Party; or (c) that is directly or indirectly controlled by a Company that also, directly or indirectly, controls such Party. For the purpose of this definition, "Control" means the beneficial ownership, either directly or indirectly, of fifty percent (50%) or more of the voting rights in a Company, or (whether alone or acting in concert with others, and whether by the ownership of share capital, the possession of voting power, contract or otherwise) the right to appoint fifty percent (50%) or more of the board of directors or equivalent management body of such Company.
- "Agreement" means this Agreement and its Annexes, as amended, modified, varied or supplemented from time to time.
- "Annual Contract Quantity" or "ACQ" shall have the meaning given to it in Clause 7.1(a)(i).
- "Annual Delivery Programme" or "ADP" shall have the meaning given to it in Clause 7.1(a).
- "Applicable Law" means, in relation to any legal Person, property, transaction or event, all applicable provisions of laws, treaties, conventions, statutes, rules, regulations, permits, official directives and orders of, and the terms of all judgments, orders, awards, and decrees issued by, any Competent Authority by which such legal Person is bound or having application to the property, transaction or event in question.
- "Assignee Guarantee" means a guarantee substantially in the form attached as <u>Annex B</u> to this Agreement (or in such form as is otherwise acceptable to Seller).
- "Assumption Order" means an order of the PROMESA Court, in form and substance acceptable to Seller, that authorizes the assumption by Buyer of this Agreement.
- "Back-Up Fuel Cover Amount" means, for each hour (or portion thereof) of a Seller Shortfall Duration, an amount expressed in US Dollars equal to the positive difference between (i) the duly documented cost to Buyer of utilizing the equivalent quantity of fuel oil required to make up for the energy content of the Seller Shortfall Quantity for the operation of the Eco Generation Facility, and (ii) the amount in US Dollars equal to such Seller Shortfall Quantity multiplied by the Contract Price for the month in which such Seller Shortfall Quantity occurs.
- "Bankruptcy End Date" means the date on which a plan of adjustment consummated in connection with Buyer's case under Title III of PROMESA becomes effective pursuant to its terms.
- "Binding Monthly Schedule" shall have the meaning given to it in Clause 7.1(a)(iii).



- "Btu" means a British thermal unit, being that amount of heat that is equal to 1,055.056 Joules or 0.000293071 kWh.
- "Business Day" means a Day, other than a Saturday, Sunday or a public holiday in San Juan (Puerto Rico) or Madrid (Spain).
- "Buyer" shall have the meaning given to it in the preamble to this Agreement.
- "Buyer Check Meter" shall have the meaning given to it in Clause 10.2(b).
- "Buyer's NG Credit" has the meaning given to it in Clause 6.5.
- "Claims" shall have the meaning given to it in Clause 11.
- "Commonwealth Assignee" means a Commonwealth Entity to whom a Transfer was made pursuant to Clause 17.1.
- "Commonwealth Entity" means a government agency, body, or public corporation that is controlled entirely by the Commonwealth of Puerto Rico.
- "Competent Authority" means any local, federal, state, regional, provincial, municipal, national or supra-national governmental agency, authority, department, inspectorate, minister, official, court, tribunal or public or statutory Person (whether autonomous or not) which has jurisdiction in relation to the performance of this Agreement by either Party including, for the avoidance of doubt, any licensing authority and any port authority, in each case acting within its legal authority, but excluding, for the avoidance of doubt, any Party.
- "Conditions Precedent" shall have the meaning given to it in Clause 3.2.
- "Conditions Precedent Date" means the date on which the legal counsel for each Party jointly signs a certificate confirming the satisfaction or waiver of all of the Conditions Precedent.
- "Confidential Information" shall have the meaning given to it in Clause 22.1.
- "Contract Price" shall have the meaning given to it in Clause 12.1.
- "Contract Quarter" means each calendar quarter (beginning on the first Day of each of January, April, July and October) during a Contract Year, provided that (i) the first Contract Quarter shall commence on the Conditions Precedent Date and end on the last Day of such calendar quarter, and (ii) the last Contract Quarter shall commence on the first Day of such quarter and end on the expiration of the Contract Term.
- "Contract Term" shall have the meaning given to it in Clause 3.1(a).
- "Contract Year" means any calendar year during the Contract Term, provided that (i) the first Contract Year shall commence on the "Firm Supply Conditions Date" under the Pre-



Restatement GSPA, and the (ii) last Contract Year shall end on the expiration of the Contract Term.

"Corporate Tax" means any and all Taxes based on income, revenues, profits, or net worth and all state and local franchise, license, occupation and similar Taxes required for the maintenance of corporate existence or to maintain good standing that are assessed against a Party.

"Costa Sur Delivery Point" means the point of interconnection between the Costa Sur Units and the EcoEléctrica Complex as further detailed in Annex A.

"Costa Sur Metering Equipment" means the existing main and a back-up meter and other equipment as necessary to measure the volume of Natural Gas delivered to the Costa Sur Units installed under the Pre-Restatement GSPA.

"Costa Sur Seller Shortfall Quantity" shall have the meaning given to it in Clause 9.1.

"Costa Sur Shortfall Payment" shall have the meaning given to it in Clause 9.2.

"Costa Sur Units" has the meaning defined in Recital (C) of this Agreement.

"Courts of Competent Jurisdiction" means the courts of the Commonwealth of Puerto Rico, the United States District Court for the District of Puerto Rico, the PROMESA Court, the United States Court of Appeals for the First Circuit and the United States Supreme Court.

"Credit Standard Event" means either (i) with respect to an Acceptable Private Assignee that has not provided an Acceptable Guarantee or an Acceptable Letter of Credit, the failure of such Acceptable Private Assignee to continue to meet the Credit Standards, or (ii) with respect to an Acceptable Guarantor, the failure of the Acceptable Guarantor to meet the Credit Standards, or any other condition imposed by the Seller in order for such guarantor to be considered an Acceptable Guarantor.

"Credit Standards" means (i) two credit ratings that are equal to or better than the following, as applicable: (A) BBB- by S&P, (B) Baa3 by Moody's or (C) BBB- by Fitch, or (ii) two long-term unsecured debt ratings that are equal to or better than the following, as applicable: (A) BBB- by S&P, (B) Baa3 by Moody's or (C) BBB- by Fitch; provided that if any of the foregoing agencies ceases to exist or issue credit ratings, such other equivalent ratings of another rating agency of comparable standing that is reasonably acceptable to Seller shall apply.

"Daily Contract Quantity" or "DCQ" shall have the meaning given to them in Clause 6.3.

"Daily Programme" shall have the meaning given to it in Clause 7.1(a)(iv).

"Day" means a period of twenty four (24) consecutive hours beginning at 00:00 hours local time in Puerto Rico.



- "Defaulting Party" shall have the meaning given to it in Clause 18.1(b).
- "Delivery Points" means the ECO Delivery Point and the Costa Sur Delivery Point and "Delivery Point" means either of the foregoing.
- "Disclosing Party" shall have the meaning given to it in Clause 22.1.
- "Dispute" shall have the meaning given to it in Clause 20.1(a).
- "ECO Capacity Payment Differential" means, for each hour (or portion thereof) of a Seller Shortfall Duration, the difference expressed in US Dollars between (i) the capacity payment actually and duly documented as paid by Buyer or as offset by a credit granted by Seller in favour of Buyer, under the Restated PPOA for such hour, based on dependable capacity of the ECO Generation Facility, and (ii) the capacity payment actually and duly documented as paid by Buyer, or as offset by a credit granted by Seller in favour of Buyer, under the Restated PPOA for such hour, based on the reduced capacity of such facility caused by the occurrence of a Seller Shortfall Quantity but upwardly adjusted to reflect Buyer's utilization of back-up fuel (if any) to offset such shortfall.
- "ECO Delivery Point" means the position of the Metering Equipment located downstream from the connection of the boil-off gas pipe to the main pipeline where Natural Gas enters the ECO Generation Facility as further detailed in Annex A.
- "ECO Generation Facility" has the meaning given to it in Recital (D).
- "ECO Metering Equipment" shall have the meaning given to it in Clause 10.2(a)
- "ECO Seller Shortfall Quantity" has the meaning given to it in Clause 9.3.
- "ECO Shortfall Payment" has the meaning given to it in Clause 9.4.
- "EcoEléctrica Complex" means the LNG Facilities, the Existing Pipeline, any LNG terminal improvements and other associated premises, facilities and infrastructure (including property owned or leased or subject to easements) in the vicinity of Peñuelas, Puerto Rico, that are owned and/or operated (directly or through operating contracts with others) by the Owner.
- "Effective Date" shall have the meaning given to it in the preamble to this Agreement.
- "Environmental Testing Period" means any testing period during which the Buyer or the Owner removes from service or reduces its generation in any of the Costa Sur Units, respectively in order to comply with the Applicable Law, and which includes the consecutive eight (8) week period during which Buyer removes from service one (1) unit of the Costa Sur Units in order to comply with Applicable Law.
- "Existing Pipeline" means the pipeline constructed from the LNG Facilities to the Costa Sur Units pursuant to and in accordance with the PPOA.



"Expert" means a Person of appropriate industry expertise and experience to whom a Dispute, disagreement or another matter of interpretation is or is to be referred to pursuant to Clause 20.2.

"Final Order" means any order or other action of a Court of Competent Jurisdiction (a) as to which no appeal, notice of appeal, motion to amend or make additional findings of fact, motion to alter or amend judgment, motion for rehearing or motion for new trial has been timely filed or, if any of the foregoing has been timely filed, it has been disposed of in a manner that upholds and affirms the subject order in all material respects without the possibility for further appeal or rehearing thereon and (b) as to which the time for instituting or filing an appeal, motion for rehearing or motion for new trial shall have expired, excluding any additional time periods that may begin as a result of United States Federal Rule 60(b).

"FOMB" means the Fiscal Oversight and Management Board of Puerto Rico, established under the Puerto Rico Oversight, Management and Stability Act of 2016.

"Force Majeure" shall have the meaning given to it in Clause 15.1.

"Forced Outage" means, for any hour, the failure or inability of the ECO Generation Facility or Costa Sur Units to make available net electric output for dispatch to the Grid System at the dependable contracted capacity of such facility during such hour for any reason other than Scheduled Maintenance.

"Governmental Authority" means the government of the United States of America, any state thereof, the Commonwealth of Puerto Rico, any local jurisdiction, or any political subdivision of any of the foregoing including, but not limited to courts, administrative bodies, departments, commissions, boards, bureaus, agencies, municipalities or other instrumentalities.

"Grid System" means the interconnected network of high voltage transmission lines, low voltage distribution lines and associated electric substations, owned by Buyer, which transmits / distributes electricity to rate payers in Puerto Rico.

"Heat Rate" has the meaning given to "Adjusted Guaranteed Heat Rate" in the Restatement PPOA.

"Heating Value" (also known as High Heating Value (HHV)) means the gross heating value on a dry basis, which is the number of Btus produced by the complete combustion at constant pressure of the amount of dry gas that would occupy a volume of one Standard Cubic Foot at a constant pressure of 14.73 psia and a temperature of 60° F with combustion air at the same temperature and pressure as the gas, the products of combustion being cooled to the initial temperature of the gas and air and the water formed by combustion condensed to the liquid state.

"HH" means (in US\$/MMBtu) the final settlement price for the New York Mercantile Exchange's Henry Hub Natural Gas futures contracts for the month previous to the month of delivery, rounded to two (2) decimal places.

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"Incremental Costs" shall have the meaning given to it in Clause 12.3.

"Jones Act" means (i) currently Section 27 of the United States' Merchant Marine Act of 1920 which requires that all goods transported by water between United State ports be carried on United States-flag ships, constructed in the United States, owned by United States citizens, and crewed by United States citizens and United States permanent residents, or (ii) any Applicable Law enacted or issued to supplement, substitute, amend or rectify Section 27 of the Merchant Marine Act of 1920 that will have the effect of continuing to require that all goods transported by water between United States mainland ports and Puerto Rico be carried on ships constructed in the United States or owned by United States citizens, or crewed by United States citizens or United States permanent residents.

"Joule" means a unit of energy defined in the International System of Units.

"kWh" shall mean kilowatt per hour.

"Large LNG Tanker" has the meaning given to it in Clause 26.1 as further described in Annex B.

"Legacy Make-Up Gas" means the quantity of Make-Up Gas available for nomination by, and scheduling for delivery to, Buyer under the Pre-Restatement GSPA on the Day immediately preceding the Conditions Precedent Date.

"Letter of Credit Default" means the occurrence of any of the following events (in each case, to the extent such Letter of Credit has not been replaced):

- (i) A Letter of Credit Issuer Event occurs;
- (ii) a Letter of Credit Issuer fails to honor Seller's request to draw on an Acceptable Letter of Credit when such request is in accordance with the requirements of such Acceptable Letter of Credit;
- (iii) a Letter of Credit Issuer disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, an Acceptable Letter of Credit;
- (iv) an Acceptable Letter of Credit expires or terminates (including expiration or termination in accordance with its terms), or fails or ceases to be in full force and effect at any time after the Transfer Date; or
- (v) an Acceptable Letter of Credit is not renewed or replaced at least fourteen (14) business days prior to the expiration of such Acceptable Letter of Credit.

"Letter of Credit Issuer" means an entity that has issued an Acceptable Letter of Credit.

"Letter of Credit Issuer Event" means a Letter of Credit Issuer has ceased to satisfy the Letter of Credit Issuing Bank Requirements or is no longer organized or licensed as a branch or agency under the laws of the United States of America.



- "Letter of Credit Issuing Bank Requirements" means two credit ratings that are equal to or better than the following, as applicable: (i) A3 by Moody's, (ii) A- by S&P, or (iii) A- by Fitch; provided that if more of than one of Moody's, S&P and Fitch ceases to exist or issue credit ratings, an equivalent rating of another rating agency of comparable standing that is reasonably acceptable to Seller shall apply.
- "LIBOR" means the rate per annum which the British Bankers' Association was offering to prime banks in the London Interbank market for deposits in US\$ for a one (1) year period, determined at 11:00 am London Time, as quoted on the date when payment was due. Interest should be calculated on the basis of a three hundred sixty (360) Day year, shall accrue daily and be compounded at three (3)-monthly rests.
- "LNG" means Natural Gas in a liquid state at or below its boiling point and at or near atmospheric pressure.
- "LNG Delivery Plan" shall have the meaning given to it in Clause 15.1(a).
- "LNG Facilities" shall have the meaning given to it in Recital (A).
- "LNG Tanker" shall have the meaning given to it in Annex B.
- "Make-Up Extension Period" shall have the meaning given to it in Clause 8.6(a).
- "Make-Up Gas" shall have the meaning given to it in Clause 8.6.
- "Maximum Annual Contract Quantity" shall have the meaning given to it in Clause 6.1.
- "Maximum DCQ" shall have the meaning given to it in Clause 6.3.
- "Maximum Hourly Rate" shall have the meaning given to it in Clause 6.4(a).
- "Metering Equipment" means the Costa Sur Metering Equipment and the ECO Metering Equipment.
- "Minimum Annual Contract Quantity" or "Minimum ACQ" shall have the meaning given to it in Clause 6.2.
- "MMBtu" means 1,000,000 Btu.
- "Mmscf" means one million Standard Cubic Feet.
- "Monthly Adjusted Required Quantity" shall have the meaning given to it in Clause 8.2.
- "Monthly Deficiency" shall have the meaning given to it in Clause 8.1.
- "Monthly Invoice" shall have the meaning given to it in Clause 13.2.
- "Monthly Take or Pay Payment" shall have the meaning given to it in Clause 8.2.

- "Monthly Take or Pay Quantity" shall have the meaning given to it in Clause 8.2.
- "Natural Gas" or "NG" means any saturated hydrocarbon or mixture of saturated hydrocarbons consisting essentially of methane and other combustible and non-combustible gases in a gaseous state.
- "Ninety-Day Schedule" or "NDS" shall have the meaning given to them in Clause 7.1(a).
- "Non-Commonwealth Entity" means a Person that is not, or that ceases to be, a Commonwealth Entity.
- "Off-Spec Natural Gas" is any Natural Gas that does not conform to the Specifications set forth in Clause 4.1.
- "Owner" shall have the meaning given to it in Recital (A).
- "P3A" means the Puerto Rico Public-Private Partnerships Authority.
- "Party" and "Parties" shall have the meaning given to them in the preamble to this Agreement.
- "Permanent Abandonment" shall have the meaning given to it in the Restatement PPOA.
- "Permanent Closing" shall have the meaning given to it in the Restatement PPOA.
- "Person" shall mean an individual, a corporation, a partnership, a limited liability company, an association a joint stock company, a trust, any unincorporated organization, or any Governmental Authority.
- "Pre-Restatement GSPA" has the meaning given to it in Recital (C).
- "PREB" shall mean the Puerto Rico Energy Bureau.
- "PROMESA" shall have the meaning set forth in the recitals of this Agreement.
- "PROMESA Case" shall have the meaning set forth in the recitals of this Agreement.
- "PROMESA Court" shall have the meaning set forth in the recitals of this Agreement.
- "Prompt Contract Price" is the result of (in U.S. dollars/MMBtu after converting the original units of U.S. dollars/barrel provided that the energy content of a barrel is set in 6.3 MMBtu), with respect to any month, the unweighted average for the relevant month of the mean dated fuel with zero point five percent (0.5%) sulfur as interpolated from the means of the zero point three percent (0.3%) sulfur LP and zero point seven percent (0.7%) sulfur fuels, as published for such month by Platt's Oilgram Price report PRICE AVERAGE SUPPLEMENT, Estimated New York Spot No. 6 Fuel Oil Cargo column rounded to two (2) decimal places.



"Prudent Utility Practices" means practices, methods, conduct and actions (including the practices, methods, conduct and acts engaged in or approved by a significant portion of the power industry in the United States or Puerto Rico) 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 of the electric system operation and its economic dispatch program. Prudent Utility Practice is not limited to the optimum practice, method or act to the exclusion of all others, but rather is a spectrum of possible practices, methods or acts which can fall within this description.

"Quarterly Adjusted Required Quantity" shall have the meaning given to it in Clause 8.4.

"Quarterly Binding Quantity" shall have the meaning given to it in Clause 7.1(a)(ii).

"Quarterly Deficiency" shall have the meaning given to it in Clause 8.3.

"Quarterly Take or Pay Payment" shall have the meaning given to it in Clause 8.5.

"Quarterly Take or Pay Quantity" shall have the meaning given to it in Clause 8.5.

"Reasonable and Prudent Operator" means a Person seeking in good faith to perform its contractual obligations and comply with Applicable Law, and in so doing, and in the general conduct of its undertaking, exercising that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced international operator engaged in the same type of undertaking under the same or similar circumstances and conditions.

"Receiving Party" shall have the meaning given to it in Clause 22.1.

"Responsible Party" shall have the meaning given to in Clause 3.5.

"Restatement PPOA" has the meaning given to it in Recital (D).

"Restatement TSA" has the meaning given to it in Recital (B).

"Routine Maintenance" means any interruption of service which is not part of any Scheduled Maintenance or an interruption prearranged on a relatively short notice in the ECO Generation Facility or any of the Costa Sur Units.

"Scheduled Maintenance" means the maintenance period scheduled to be performed on the Costa Sur Units or at the ECO Generation Facility to occur at the times and for the durations as determined pursuant to Clause 7.1(a).

"Seller" shall have the meaning given to it in the preamble to this Agreement.

"Seller Shortfall Duration" means, for any month in which a Seller Shortfall Quantity arises, the number of hours during such month where such shortfall either (i) caused a Forced Outage,



or (ii) would have caused a Forced Outage but for the Buyer's election to utilize back-up fuel, in each case at the ECO Generation Facility or for supply to the Costa Sur Units.

"Seller Shortfall Quantity" means the sum of (i) the Costa Sur Seller Shortfall Quantity, (ii) the ECO Seller Shortfall Quantity, and (iii) any additional quantities as provided in Clause 4.2(f).

"Shortfall Payment" means collectively, the Costa Sur Shortfall Payment and the ECO Shortfall Payment.

"Small LNG Tanker" has the meaning given to it in Clause 26.2.

"Small-Scale LNG Delivery Study" shall have the meaning given to it in Clause 26.2.

"Specifications" shall have the meaning given to it in Clause 4.1.

"Standard Cubic Foot" means Natural Gas at a base temperature of 60° F and at a pressure of 14.73 psia with correction for deviation from Boyle's Law.

"Supply Period" shall have the meaning given to it in Clause 5.1.

"Taxes" shall have the meaning given to it in Clause 14.1.

"TBtu" means 1,000,000,000,000 Btu.

"Termination Event" shall have the meaning given to it in Clause 18.1(b).

"Third Party" means any legal Person not a Party to this Agreement.

"Threshold" shall have the meaning given to it in Clause 6.2(d).

"Transfer" shall have the meaning given to it in Clause 17.1.

"Transfer Date" means the date on which Buyer completes a Transfer to a Non-Commonwealth Entity.

"Unit Limitations" means any condition or event that affect any facility or equipment other than the ECO Generation Facility or the Costa Sur Units that does not allow any of Costa Sur Units or units at the ECO Generation Facility to generate at their maximum capacity.

"US" means the United States of America.

"US Dollars" or "US\$" means the lawful currency of the United States of America.

1.2 Interpretation

In this Agreement, unless the context requires otherwise:

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- (a) References to Clauses and Annexes are to Clauses and Annexes of this Agreement. The Annexes hereto are incorporated herein as an integral part of this Agreement.
- (b) References to a Person include that Person's successors and permitted assigns.
- (c) Headings of Clauses and Annexes are for convenience only and shall not affect the construction or interpretation of this Agreement.
- (d) Where the context requires, words denoting the singular or masculine or neuter only shall include the plural, feminine, body politic or corporate and vice versa.
- (e) References to "include" and "including" shall be construed as "including without limitation."
- (f) The words "agree," "agrees," and "agreed" refer to a written agreement, executed and delivered by the Parties. Wherever either Party's consent or agreement is expressed to "not be unreasonably withheld," it is acknowledged that such obligation shall include, but not be limited to, the obligation of the Party not unreasonably to delay giving the relevant consent or agreement, and in the foregoing case as well as wherever either Party undertakes "efforts" or "endeavors" to do something, or refrain from doing something, it is acknowledged that such Party shall not be in breach of its obligations to the other Party to the extent that such Party's actions are limited by such Party's need to comply with its contractual obligations to any Person, provided that such Party has used its reasonable efforts to obtain any necessary waiver(s) of such relevant obligations and that such Party has not assumed such obligations subsequent to entering into this Agreement.
- (g) Any law, statute or statutory provision shall be construed as a reference to the same as it may be amended, modified or re-enacted, from time to time, and shall include any subordinate legislation made from time to time under that provision.
- (h) If at any time during the Supply Period a source of information used to determine an index or an index or interest rate itself becomes unavailable or inappropriate then the Parties shall meet as soon as possible thereafter and in good faith discuss and attempt to agree in writing upon a suitable alternative replacement for such source of information or for such index or interest rate.
- (i) For the calendar year 2020, the Parties shall construe "Contract Year" as commencing on the Conditions Precedent Date and expiring on December 31, 2020.

2. SALE AND PURCHASE

The Seller shall sell and deliver at the Delivery Points, and the Buyer shall purchase and take delivery of at the Delivery Points, and pay for, or pay for if not taken, NG, in the quantities, of the quality and at the prices determined in accordance with the terms and conditions of this Agreement.

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3. DURATION AND CONDITIONS

3.1 Contract Term

- (a) This Agreement (other than this Clause 3, Clause 7.1 and Clauses 17 through 23, which shall enter into full force and effect on the Effective Date) shall enter into force and effect on the Conditions Precedent Date and shall, subject to the terms hereof, unless earlier terminated, continue in force and effect through September 30, 2032, plus,
 - (i) any Make-Up Extension Period; and
 - (ii) any extension agreed to pursuant to Clause 3.1(b)

(collectively, the "Contract Term").

- (b) The Parties may extend the Contract Term on such terms and conditions as they may agree to in writing.
- 3.2 The Parties shall satisfy or waive the following conditions precedent to their performance of this Agreement (the "Conditions Precedent"):
 - (a) For satisfaction by Buyer:
 - (i) obtaining approval of the P3A to proceed with the finalization of this Agreement;
 - (ii) obtaining approval of each of FOMB, the governing board of Buyer, and PREB for the execution and delivery by Buyer of this Agreement;
 - (iii) entry of the Assumption Order by the PROMESA Court;
 - (iv) delivery by Buyer of a legal opinion prepared by its external counsel in a form reasonably acceptable to Seller, confirming the legality, validity and enforceability of this Agreement against Buyer in accordance with its terms; and
 - (v) full force and effectiveness of the Restatement PPOA.
 - (b) For satisfaction by Seller:
 - (i) obtaining approval of the relevant corporate authority for the execution and delivery by Seller of this Agreement;
 - (ii) providing each of the documents or certifications described in Clauses 28.1(a) through 28.1(f) and Clause 29.3;
 - (iii) delivery by Seller of a legal opinion prepared by its external counsel in a form reasonably acceptable to Buyer, confirming (1) the legality, validity and



- enforceability of this Agreement against Seller in accordance with its terms, and (2) the due authorization of Seller to execute, deliver, and perform the Restatement TSA; and
- (iv) delivery by Seller of a letter to Buyer, waiving its right to terminate this Agreement under Clause 15.9 as a result of the event of Force Majeure described in Buyer's letter to Seller, dated January 10, 2020, in a form reasonably acceptable to Buyer.
- 3.3 If Buyer reasonably anticipates that the respective Government Authority will withhold its approval of either of the Conditions Precedent in Clauses 3.2(a)(i) or 3.2(a)(ii), then Buyer may notify Seller of the reasons for such anticipated withholding, in which case the Parties will meet to discuss the issue and if they agree that it will be impractical to wait for such approval, then the Parties may agree to terminate this Agreement.
- 3.4 The Parties shall keep each other duly informed of the fulfillment of each of the Conditions Precedent. Each Party shall notify the other Party in writing of the date on which it anticipates that the respective Conditions Precedent for which it is responsible will be satisfied no less than thirty (30) Days prior to such anticipated date. As soon as each Condition Precedent is satisfied, each Party shall confirm in writing the satisfaction of the Conditions Precedent.
- 3.5 Each Party shall exercise reasonable efforts to satisfy, or procure the satisfaction of, each Condition Precedent for which it is responsible (each, a "Responsible Party") prior to February 1, 2020.
- 3.6 Each Party shall furnish the other Party upon request by such other Party with any reasonable assistance in fulfilling each Condition Precedent for which that other Party is the Responsible Party.
- 3.7 Upon the satisfaction of any Condition Precedent, the Responsible Party shall give prompt written notice thereof to the other Party.
- 3.8 The requirement for the satisfaction of any Condition Precedent can only be waived by the written agreement of both Parties.

4. QUALITY

- 4.1 The Natural Gas delivered by the Seller to or for the account of the Buyer at the Delivery Point:
 - (a) shall not contain sand, dust, gums, crude oil, impurities or other objectionable substances which may be injurious to pipelines or may interfere with the transmission of the Natural Gas;
 - (b) shall not contain more than three-tenths grains of hydrogen sulfide per hundred standard cubic feet of Natural Gas volume, as measured by methods in accordance with accepted industry practice;



- (c) shall not contain more than two grains of total sulfur per hundred standard cubic feet of Natural Gas volume, as measured by methods in accordance with accepted industry practice;
- (d) shall not contain more than 0.25 grains of mercaptan sulfur per hundred standard cubic feet of Natural Gas volume, as measured by methods in accordance with accepted industry practice;
- (e) shall not contain more than two percent (2%) by volume of carbon dioxide, as measured by methods in accordance with acceptable industry practice;
- (f) shall not have a water vapour content in excess of seven pounds per million standard cubic feet of Natural Gas volume, such vapour content to be measured by methods in accordance with accepted industry practice;
- (g) shall be as free of oxygen as it can be kept through the exercise of all reasonable precautions and shall not in any event contain more than zero point four (0.4%) by volume of oxygen, as measured by methods in accordance with acceptable industry practice;
- (h) shall have a Heating Value of not less than 950 Btu per Standard Cubic Foot and not more than 1165 Btu per Standard Cubic Foot. The Heating Value shall be measured by methods in accordance with accepted industry practice, such as, but not limited to, recording calorimeter(s) or Natural Gas chromatograph(s) located at appropriate points; and
- (i) shall be delivered to the Delivery Point at a temperature of more than 40° F and less than 100° F, and at the maximum pressure available when operating the LNG Facilities' vaporizers at a pressure of 650 pounds per square inch gauge.

The quality specifications set out in paragraphs (a) to (i) above shall be deemed to be the "Specifications." The standard test methods as described in the Owner's operating procedures applicable at the LNG Facilities shall be used to determine compliance with the Specifications.

4.2 Failure of Natural Gas to Conform to Specifications

- (a) Seller shall notify Buyer as soon as reasonably practicable after becoming aware of any existing or anticipated failure of the NG available for delivery to the Delivery Point to conform to the Specifications, giving details of the nature and expected magnitude of the variance, the cause of the non-compliance and the probable duration, including the delivery time of such Off-Spec Natural Gas.
- (b) If at any time, the NG offered for delivery by the Seller is or is expected to be Off-Spec Natural Gas, the Buyer may reject in whole or in part the delivery of such gas as well as any further deliveries of such Off- Spec Natural Gas.



- (c) If at any time, the Seller is unable to deliver NG conforming to the Specifications but is able to deliver Off-Spec Natural Gas, the Seller may withhold deliveries until such time as it is able to deliver NG conforming to the Specifications; provided however, that in such event the Buyer shall be entitled to request delivery of such Off-Spec Natural Gas, unless such delivery in the Seller's opinion, acting as a Reasonable and Prudent Operator, would have a detrimental effect on the LNG Facilities or related facilities upstream of the Delivery Point.
- (d) Unless both (i) Buyer is notified of the full extent to which Off-Spec Natural Gas actually fails to meet the Specifications, and (ii) Buyer waives in writing its right to reject such Off-Spec Natural Gas, the Seller shall be liable for all damages incurred by the Buyer as a result of the acceptance of such Off-Spec Natural Gas, including all the reasonable costs and expenses incurred (over and above those normally incurred in accepting conforming Natural Gas) in receiving and treating such Off-Spec Natural Gas by such means as are appropriate; provided, that the Buyer shall exercise commercially reasonable practices to minimize the costs and expenses which may occur.
- (e) If both (i) Buyer is notified of the full extent to which Off-Spec Natural Gas actually fails to meet the Specifications, and (ii) Buyer waives in writing its right to reject such Off-Spec Natural Gas, such Off-Spec Natural Gas shall be deemed to have been delivered in accordance with this Agreement and the Seller shall not be liable for any damages to the Buyer for the acceptance of such Off-Spec Natural Gas; provided, however, that said NG shall be paid for at eighty-five percent (85%) of the Contract Price.
- (f) When NG is not taken by the Buyer due to it being Off-Spec Natural Gas or when Seller withholds NG pursuant to Clause 4.2(c), the Buyer shall not be obliged to pay for such NG not taken, and such NG not taken shall be deemed not to have been made available and shall be considered a "Seller Shortfall Quantity".
- (g) The Buyer shall have no right or remedy with respect to the Off-Spec Natural Gas other than those stated or referred to in this Clause 4.2.
- 4.3 Any Dispute between the Parties concerning the measurement and/or testing of NG for the purposes of determining the quality thereof at the Delivery Point, shall be settled in accordance with the provisions of Clause 20.2 of this Agreement.

5. SUPPLY PERIOD

5.1 The supply period for NG commenced on the Firm Supply Conditions Date under the Pre-Restatement GSPA and shall continue in force until and including the last Day of the Contract Term (the "Supply Period").

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5.2 The Pre-Restatement GSPA shall govern the Parties' rights and obligations performed or to be performed in connection with NG deliveries taking place prior to the Conditions Precedent Date.

6. NG QUANTITIES

- 6.1 The "Maximum Annual Contract Quantity" for each Contract Year shall equal one hundred and six (106) TBtu, provided that (i) the Maximum Annual Contract Quantity shall be prorated downward ratably for each Contract Year of less than three hundred and sixty five (365) Days including 2020 Contract Year, and (ii) provided further that if the Buyer reduces the Minimum Annual Contract Quantity pursuant to any of Clauses 6.2(c), 6.2(d), or 6.2(e), and has not subsequently increased the Minimum Annual Contract Quantity to fifty five (55) TBtu pursuant to Clause 6.2(h), the Maximum Annual Contract Quantity (effective the same date that any reduction of the Minimum ACQ pursuant to any of Clauses 6.2(c), 6.2(d), or 6.2(e)) shall equal the greater of (1) such reduced Minimum Annual Contract Quantity *multiplied* by a factor of one point two (1.2) and (2) thirty six and one half (36.5) TBtu.
- 6.2 The "Minimum Annual Contract Quantity" or "Minimum ACQ" for each Contract Year shall equal fifty five (55) TBtu; provided, however, that:
 - (a) the Minimum ACQ shall be prorated downward for each Contract Year in the Contract Term of less than three hundred and sixty five (365) Days;
 - (b) any Scheduled Maintenance, Forced Outages, Routine Maintenance, Unit Limitations or any Environmental Testing Period will reduce the Minimum ACQ for any Contract Year on a prorated basis;
 - (c) if Buyer retires a Costa Sur Unit, then Buyer shall have the right, but not the obligation, upon six (6) months' prior notice to Seller, to reduce the Minimum Annual Contract Quantity to an amount between 19 TBtu and 55 TBtu, provided that if such reduction takes place on a date other than January 1, the Minimum Annual Contract Quantity for the year in which such reduction occurs shall equal the (i) Minimum ACQ prior to such reduction *multiplied by* the number of Days prior to such reduction in the relevant Contract Year *divided by* the number of Days in such Contract Year *plus* (ii) the Minimum ACQ from and after such reduction *multiplied by* the number of Days from such reduction in the relevant Contract Year *divided by* the number of Days in such Contract Year;
 - (d) Starting on January 1, 2024, if peak electricity demand in Puerto Rico falls below two thousand three hundred (2,300) megawatts (the "**Threshold**"), Buyer shall have the right, but not the obligation, upon six (6) months' prior notice to Seller, to reduce the Minimum Annual Contract Quantity to an amount between 19 TBtu and 55 TBtu, provided that if such reduction takes place on a date other than January 1, the Minimum Annual Contract Quantity for the year in which such reduction occurs shall equal the (i) Minimum ACQ prior to such reduction *multiplied by* the number of Days prior to such reduction in the relevant Contract Year *divided by* the number of Days in such



Contract Year *plus* (ii) the Minimum ACQ from and after such reduction *multiplied by* the number of Days from such reduction in the relevant Contract Year *divided by* the number of Days in such Contract Year;

- (e) Starting on January 1, 2024 through the expiration of the Contract Term, in the event that the proportion of renewable generation sources available in Puerto Rico exceeds fifteen percent (15%) of the total power generated by sources connected to the Grid System, Buyer shall have the right, but not the obligation, upon six (6) months' prior notice to Seller, to reduce the Minimum Annual Contract Quantity to an amount between 19 TBtu and 55 TBtu, provided that if such reduction takes place on a date other than January 1, the Minimum Annual Contract Quantity for the year in which such reduction occurs shall equal the (i) Minimum ACQ prior to such reduction multiplied by the number of Days prior to such reduction in the relevant Contract Year divided by the number of Days in such Contract Year plus (ii) the Minimum ACQ from and after such reduction multiplied by the number of Days from such reduction in the relevant Contract Year divided by the number of Days in such Contract Year;
- (f) In the event that Buyer terminates the Restatement PPOA for Owner's default, Buyer shall have the right, but not the obligation, to reduce the Minimum ACQ (i) prior to the date when Buyer exercises the right to reduce the Minimum ACQ pursuant to Clause 6.2(c), to a quantity between 55 TBtu and 12 TBtu, and (ii) thereafter, to a quantity between 55 TBtu and 0 TBtu, in each case effective on the date of such termination;
- (g) For the avoidance of doubt, in no event shall the cumulative reduction of the Minimum ACQ pursuant to any of Clauses 6.2(c), 6.2(d), or 6.2(e) reduce the Minimum ACQ below 12 TBtu;
- (h) If Buyer elects to reduce the Minimum ACQ pursuant to any of Clauses 6.2(c), 6.2(d), or 6.2(e), Buyer has the right, but not the obligation subsequently, to increase the Minimum ACQ up to a quantity that shall not exceed 55 TBtu, provided that:
 - (i) Buyer must provide at least six (6) Month's prior written notice to Seller of its election to increase the Minimum ACQ;
 - (ii) Upon its receipt of the notice described in Clause 6.2(h)(i) and if so requested by Buyer, Seller shall exercise its best efforts to deliver quantities of NG in excess of nominated quantities applicable during the notice period in accordance with such request;
 - (iii) Such increase shall take effect on the date indicated in Buyer's notice, subject to Clause 6.2(h)(ii); and
 - (iv) Following any such increase of the Minimum ACQ, Buyer shall cease to have the right to decrease the Minimum ACQ pursuant to Clauses 6.2(c), 6.2(d), or 6.2(e).



In respect of each Day of each Contract Year, the Daily Contract Quantity ("DCQ") shall be the daily nomination for each Day of the Binding Monthly Schedule. The "Maximum DCQ" that Buyer may nominate for any Day shall be calculated as provided in the formula below provided, however, that Seller shall use reasonable efforts to comply with Buyer's request to deliver a Maximum DCQ in excess of the applicable Maximum DCQ:

Maximum DCQ (in Mmscf/Day) = [ACQ (in TBtu) x 279 Mmscf/Day] / 106 TBtu.

6.4 Maximum Hourly Rate

- (a) Notwithstanding any other provision of this Agreement, Seller shall have no obligation to deliver the DCQ at an hourly rate that exceeds 11.5 Mmscf/hour ("Maximum Hourly Rate"); provided, however, that Seller shall use reasonable efforts to comply with the Buyer's requests to exceed such Maximum Hourly Rate to the extent necessary for the operation of the Costa Sur Units and the ECO Generation Facility, subject to the operation of the LNG Facilities.
- (b) The Buyer shall not be obliged, notwithstanding any other provision of this Agreement, to receive the DCQ at an hourly rate over the Maximum Hourly Rate; provided, however, that the Buyer shall use reasonable efforts to comply with the Seller's exceptional requests to exceed such Maximum Hourly Rate to the extent necessary for the performance of this Agreement.

6.5 Use of NG by Owner.

(a) The Parties acknowledge and agree that Owner, in its operation of the EcoEléctrica Complex, uses NG to generate electricity for the EcoEléctrica Complex's own operations. In order to compensate Buyer for NG used by Owner, Seller agrees to credit Buyer (the "Buyer's NG Credit") for the amount of NG used by Owner in each Monthly Invoice calculated as follows:

Buyer's NG Credit = $PC \times HR \times CP$

Where:

PC = For any Month, the amount of electric power consumed by the EcoEléctrica Complex in the prior Month (in kWh);

HR = Heat Rate of the ECO Generation Facility in the prior Month (in MMBtu/kWh); and

CP = the Contract Price applicable to the prior Month.

(b) The Buyer's NG Credit shall be evidenced by an Owner's statement that Buyer shall cause the Owner to produce in each month and shall promptly deliver to Seller.



6.6 Seller shall not amend, or agree to any amendment, to the Restatement TSA that would prevent the delivery of NG to Buyer of the volumes contemplated under this Agreement.

7. SCHEDULING

- 7.1 For each Contract Year, the following provisions shall apply:
 - (a) The Annual Delivery Programme ("ADP"), Ninety-Day Schedule ("NDS") and Weekly Schedules for such Contract Year shall be established according to the following conditions:
 - (i) On or before each June 1, the Buyer shall nominate the "Annual Contract Quantity" or "ACQ" for the upcoming Contract Year, which ACQ must be between the Minimum Annual Contract Quantity and the Maximum Annual Contract Quantity for such Contract Year. The ACQ shall be final and binding.

In addition to the ACQ, the Buyer shall provide:

- 1. an estimate of its consumption for each Contract Quarter of such Contract Year and the allocation between each Delivery Point;
- 2. its non-binding estimate of the dates of any Scheduled Maintenance or any Environmental Testing Period expected to occur during such Contract Year. Buyer shall be entitled to conduct two (2) Environmental Testing Periods in each calendar year; and
- 3. any Make-Up Gas quantities requested by the Buyer to be delivered during such Contract Year. Provided Buyer has at least nominated the Minimum Annual Contract Quantity, Buyer may, at Buyer's option, elect to schedule all or any then outstanding Make-Up Gas for delivery to Buyer.

No later than fifteen (15) days prior to the day of Seller's reasonable estimation of the day on which the Conditions Precedent Date will occur, the Buyer shall modify the ADP and the Quarterly Binding Quantity for Contract Year 2020 to take into account the volumes that will delivered at the Eco Delivery Point and any other changes required upon the entering into force of this Agreement.

(ii) Except for the first Contract Year, on or before October 1 of each year thereafter, the Buyer shall provide to the Seller an ADP for the ACQ informed by the Buyer in accordance with Clause 7.1(a)(i), for the following Contract Year on a monthly basis and including the monthly detail of any Make-Up Gas (if any), for each Delivery Point; the sum of the quantities of the months of each calendar quarter ("Quarterly Binding Quantity") being binding. The sum of the Quarterly Binding Quantities for any Contract Year shall equal the ACQ. This ADP shall include the final dates of any Scheduled Maintenance or any Environmental Testing Period to occur during such Contract Year. Should



Buyer fail to include the ACQ within the four Quarterly Binding Quantities in the notice provided pursuant to this Clause 7.1(a)(ii), Seller may elect to include the NG volumes required to equal the ACQ in any Quaterly Binding Quantity by providing notice of such election to Buyer no later than October 15 of the relevant Contract Year.

- (iii) On or before the fifth (5th) Day of month M-1 the Buyer shall provide to the Seller its NG requirements for the next three (3) months for each Delivery Point (the "NDS"). On or before the fifteenth (15th) Day of month M-1 and in accordance with Clause 7.1(b), the Seller shall confirm the NDS. The NDS shall be binding for month M (the "Binding Monthly Schedule") and non-binding for month M+1 and M+2. Such NDS shall include the monthly quantities to be delivered to each Delivery Point in each of the next three months; as well as the daily requirements for month M for each Delivery Point. Further, Buyer shall use commercially reasonable efforts to include in each NDS estimated, non-binding daily requirements for months M+1 and M+2.
- (iv) On or before 00:00 hours Puerto Rico Time of each Day of each week, or, if such Day is not a Business Day, on the Business Day immediately preceding such Day, the Buyer shall provide to the Seller a daily estimate of its NG requirements for the next Day for each Delivery Point, to be provided on a daily basis with hourly detail. This daily programme ("Daily Programme") shall be reasonably adjusted to the original NDS for the applicable month. For the purpose of this Clause each Daily Programme shall contain consumption details beginning 00:00 hours on each Day until 23:59 hours the same Day. If Buyer fails to provide such a daily estimate for any Day, Seller may rely upon the Binding Monthly Schedule for Buyer's nomination of NG for such Day.
- (b) The Parties shall cooperate in the scheduling to ensure that the Seller supplies NG to each Delivery Point reasonably ratably for each Day in a Contract Year (subject to the Buyer's Scheduled Maintenances and Environmental Testing Periods) in a manner that is consistent with the Seller's projected deliveries and use of LNG, as such projected deliveries or requirements may be adjusted or exist from time to time, and in a manner that permits the Seller to fulfill its obligations under the Restatement TSA.
- (c) The Buyer designates the Operational Manager as specified in Clause 24 to make all the notifications required under this Clause 7.1.
- 7.2 In accordance with the previous cooperation principle, to the extent a Monthly Deficiency, Quarterly Deficiency or a Seller Shortfall Quantity can reasonably be anticipated to arise, the Parties will exercise commercially reasonable efforts to avoid such circumstances by cooperating in good faith to attempt to resolve such circumstances by rescheduling delivery of NG.



8. TAKE OR PAY AND MAKE UP

- 8.1 During each month of the Contract Year, Buyer shall take and pay for, or pay for if not taken, a quantity of NG equal to at least seventy-five percent (75%) of the Monthly Adjusted Required Quantity. To the extent Buyer fails to take such quantity, a "Monthly Deficiency" shall arise equal to the Monthly Adjusted Required Quantity less the quantity of NG actually taken by the Buyer.
- 8.2 In respect of each month during a Contract Year, the "Monthly Adjusted Required Quantity" shall be the quantity of NG nominated by the Buyer in the Binding Monthly Schedule, reduced by:
 - (a) all Seller Shortfall Quantities occurring during such month;
 - (b) (i) all quantities of NG not delivered by the Seller or which the Buyer does not take delivery of during such month due to an event of Force Majeure affecting Seller or Buyer, or (ii) all quantities of NG not taken by Buyer due to a Forced Outage; and
 - (c) all Make-Up Gas scheduled quantities included in the Binding Monthly Schedule.

In respect of each month in a Contract Year in which a Monthly Deficiency arises, the quantity equal to the difference between the Monthly Deficiency and twenty-five percent (25%) of the Monthly Adjusted Required Quantity will be the "Monthly Take or Pay Quantity". Buyer shall pay Seller, in accordance with Clause 13, a "Monthly Take or Pay Payment" equal to ninety percent (90%) of the Contract Price applicable to such month multiplied by such Monthly Take or Pay Quantity.

- 8.3 During each Contract Quarter, Buyer shall take and pay for, or pay for if not taken, a quantity of NG equal to ninety percent (90%) of the Quarterly Adjusted Required Quantity. To the extent Buyer fails to take such quantity, a "Quarterly Deficiency" shall arise equal to the Quarterly Adjusted Required Quantity less the quantity of NG actually taken by the Buyer during such Contract Quarter.
- 8.4 In respect of each Contract Quarter the "Quarterly Adjusted Required Quantity" shall be the Quarterly Binding Quantity as per Clause 7.1(a)(ii) reduced by:
 - (a) all Seller Shortfall Quantities occurring during such Contract Quarter;
 - (b) all quantities of NG not delivered by the Seller or which the Buyer does not take delivery of at the Delivery Point during such Contract Quarter due to an event of Force Majeure affecting the Seller or the Buyer;
 - (c) all Make-Up Gas scheduled quantities included in the Quarterly Binding Quantity;
 - (d) all quantities of NG for which Buyer incurred a Monthly Take or Pay Payment during such Contract Quarter; and

- (e) all quantities of NG not taken by Buyer due to a Forced Outage, a Permanent Abandonment or a Permanent Closing.
- 8.5 In respect of each Contract Quarter in which a Quarterly Deficiency arises, the Quarterly Deficiency less ten percent (10%) of the Quarterly Adjusted Required Quantity will be the "Quarterly Take or Pay Quantity". The Buyer shall pay to the Seller the "Quarterly Take or Pay Payment", equal to the ninety percent (90%) of the average Contract Price during such Contract Quarter multiplied by such Quarterly Take or Pay Quantity applicable to such Contract Quarter. Any Quarterly Take or Pay Payment shall be due and payable by the Buyer to the Seller in accordance with Clause 13.
- 8.6 If pursuant to Clauses 8.2 or 8.5 the Buyer has paid any Monthly Take or Pay Payment or Quarterly Take or Pay Payment or if there is any Legacy Make-Up Gas, then the Buyer shall be entitled to receive from Seller a quantity of "Make-Up Gas" equal to (i) the amount of the Legacy Make-Up Gas, plus (ii) 95% of all NG paid for but not received as a result of a Monthly Take or Pay Payment, plus (iii) 100% of all NG paid for but not received as a result of a Quarterly Take or Pay Payment, subject in each case to the following conditions:
 - (a) The Buyer shall be entitled to nominate and schedule for delivery the Make-Up Gas during any following Contract Year or thereafter during the period of time needed to take the Make-Up Gas and up to a maximum of nine (9) months following termination of the Contract Term (the "Make-Up Extension Period"). However, if at the time of the termination of the Contract Term Seller reasonably determines that the maximum Make-Up Extension Period is insufficient for Buyer to take the Make-Up Gas in accordance with the terms of this Agreement, then, at Seller's option exercised no later than the end of the Contract Term, (i) Seller will refund to Buyer all amounts paid in respect of the Make-Up Gas not already taken that cannot be reasonably delivered during the maximum Make-Up Extension Period; or (ii) Seller shall further extend the Make-Up Extension Period to include the time needed to take all the Make-Up Gas in accordance with the terms of this Agreement. For the avoidance of doubt, except to the extent Seller elects, in accordance with the preceding subclause (i) to refund take-orpay amounts paid by Buyer, Seller shall schedule and deliver on a firm basis according to the terms of this Agreement during the Make-Up Extension Period all Make-Up Gas that is owed to Buyer as of the end of the Contract Term.
 - (b) The Seller shall deliver the Make-Up Gas scheduled by the Buyer subject to the terms and conditions of this Agreement.
 - (c) During the Supply Period, the scheduling of the Make-Up Gas shall be performed in accordance with Clause 7.1 and the following rules will apply:
 - (i) To the extent Buyer schedules Make-Up Gas to be delivered during any Contract Year, such Make- Up Gas shall be deemed to be included proportionately in the Binding Monthly Schedule delivered by Buyer.



- (ii) During each month, the Make-Up Gas shall only be consumed if Buyer takes the Monthly Adjusted Required Quantity.
- (iii) If for any reason, other than Buyer's unexcused failure to take, Seller fails to deliver any Make-Up Gas that Buyer has scheduled (other than Seller's excused failure to deliver), Buyer shall have the right to reschedule such Make-Up Gas for delivery at a later time.
- (iv) If Buyer fails, due to Buyer's unexcused failure to take, to receive any Make-Up Gas that is has scheduled, Buyer will have the right to reschedule such Make-Up Gas only during the next Annual Delivery Programme, provided that if such failure occurs during the Make-Up Extension Period, then Buyer will not have the right to reschedule such Make-Up Gas but Seller will exercise commercially reasonable efforts to reschedule such Make-Up Gas to the extent requested by Buyer.
- (v) If Seller does not deliver any Make-Up Gas that it has scheduled except due to Seller's excused failure to deliver, then such quantity shall be a Seller Shortfall Quantity and, in addition to any damages Seller may owe pursuant to Clause 9, Seller will refund to Buyer all amounts paid in respect of the NG for which such Make-Up Gas arose.
- (d) If Buyer is unable to schedule or take any Make-Up Gas prior to the end of the Contract Term due to Force Majeure events, Seller will refund to Buyer all amounts paid in respect of the NG for which such Make-Up Gas arose.
- (e) The following specific rules shall apply during the supply of the pending Make-Up Gas during the Make-Up Extension Period:
 - (i) The supply during the Make-Up Extension Period shall be as regular and even as practicable, in a manner that permits the Seller to fulfill its obligations under the Restatement TSA.
 - (ii) The Parties will schedule an ADP for such Make-Up Extension Period under Clause 7 above as if it were a Contract Year, provided that Buyer shall have the right to schedule additional quantities of Make-Up Gas that arise after the ADP is established at any time prior to the end of the Make-Up Extension Period.
- (f) The price to be paid by the Buyer for any Make-Up Gas shall be the higher of: (i) the Contract Price of the relevant Contract Quarter of delivery of such Make-Up Gas; or (ii) the Contract Price of the relevant period in which the Quarterly Take or Pay Payment arose. The sum to be paid for this Make-Up Gas shall be the applicable price as calculated hereunder *multiplied* by the quantity of Make-Up Gas *less* the Quarterly Take or Pay Payment or the Monthly Take or Pay Payment already paid by the Buyer for the corresponding quantity.



(g) Only for the purpose of this Clause 8.6, Buyer shall take the Make-Up Gas in a chronological order as the Legacy Make-Up Gas, the Monthly Take or Pay Payment or Quarterly Take or Pay Payment was generated during the Supply Period.

9. SELLER'S SHORTFALL

- 9.1 If, for any reason other than the occurrence of (a) an event of Force Majeure or (b) reasons attributable to the Buyer, the Seller fails to deliver the scheduled quantity in the Binding Monthly Schedule for delivery to the Buyer at the Costa Sur Delivery Point (including scheduled Make-Up Gas) for the applicable months of any Contract Quarter (the "Costa Sur Seller Shortfall Quantity"), the Seller shall be liable to the Buyer in accordance with this Clause 9.
- 9.2 If a Costa Sur Seller Shortfall Quantity occurs during any Contract Quarter, Seller shall pay liquidated damages to the Buyer in an amount (each, a "Costa Sur Shortfall Payment") equal to such Costa Sur Seller Shortfall Quantity multiplied by fifteen percent (15%) of the average of the Prompt Contract Price for the Contract Quarter during which the Costa Sur Seller Shortfall Quantity has occurred.
- 9.3 If, for any reason other than the occurrence of (a) an event of Force Majeure or (b) reasons attributable to the Buyer, the Seller fails to deliver the scheduled quantity in the Binding Monthly Schedule for delivery to the Buyer at the ECO Delivery Point (including scheduled Make-Up Gas) for the applicable months of any Contract Quarter (the "ECO Seller Shortfall Quantity"), the Seller shall be liable to the Buyer in accordance with this Clause 9.
- 9.4 If an ECO Seller Shortfall Quantity occurs during any Contract Quarter, prior to the Transfer Date, Seller shall pay the Buyer in an amount (a "ECO Shortfall Payment") equal to the sum of the ECO Capacity Payment Differential and the Back-Up Fuel Cover Amount, calculated for each hour of the Seller Shortfall Duration, each as duly documented by Buyer.
- 9.5 If an ECO Shortfall Quantity occurs on or after the Transfer Date, the Seller shall pay liquidated damages to the Buyer in an amount equal to the ECO Seller Shortfall Quantity multiplied by fifteen percent (15%) of the average of the Prompt Contract Price for the Contract Quarter during which the ECO Seller Shortfall Quantity has occurred.
- 9.6 Seller agrees that Buyer's damages associated with Seller's failure to deliver NG hereunder would be difficult to estimate, and that Clauses 9.2 and 9.5 represent reasonable estimates of such damages.
- 9.7 Any Shortfall Payment shall be due and payable by the Seller to the Buyer in accordance with Clause 13 following the expiration of the Contract Quarter in which such Shortfall Payment arose.

10. MEASUREMENT AND TESTING

10.1 Unit of Measurement

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The following guidelines shall be followed with regard to the units of measurement to be used by either Party to comply, as appropriate, with the provisions of this Agreement:

- (a) The unit for the purpose of measuring volume shall be one cubic foot of Natural Gas at a base temperature of sixty degrees (60°) F and at a pressure of 14.73 psia with correction for deviation from Boyle's Law. Computation of volumes, including any deviation from Boyle's Law, shall comply with applicable rules, regulations, and orders promulgate by the appropriate regulatory authorities having jurisdiction. For payment purposes, the volume of Natural Gas delivered hereunder will be determined at the pressure reported by the Metering Equipment, or based on fifteen (15) Day average flowing pressure corrected, if necessary, in the event that the Metering Equipment is inoperable or not measuring accurately, as applicable, and will be multiplied by the Btu content per cubic foot to obtain the total Btu contained within such volume of Natural Gas.
- (b) For purposes of measurement and meter calibration, the atmospheric pressure shall be assumed to be 14.73 psia, irrespective of actual elevation or location of the Delivery Point above sea level, or variations in such atmospheric pressure from time to time.
- (c) The static pressure of the Natural Gas passing through the Metering Equipment shall be determined by the use of electronic measurement equipment or by the use of another pressure recording device reasonably acceptable to both Parties. The instantaneous static pressure measurements from the electronic measurement equipment or the arithmetic average of the temperature recorded each Day shall be used in computing Natural Gas volumes.
- (d) If Metering Equipment requiring the use of specific gravity is used, then the specific gravity of the Natural Gas delivered hereunder shall be determined by a method according to accepted industry practice. If a recording gravitometer is used, then the arithmetic average of the specific gravity of the Natural Gas flowing through the meters shall be used in computing Natural Gas volumes. If a spot test method is used, then the specific gravity of the Natural Gas delivery hereunder shall be determined as often as found necessary in practice. Any such test shall determine the specific gravity to be used in computation of volumes values effective the first Day of the following month and shall continue to be used until changed in a like manner by a subsequent test.
- (e) The temperature of the Natural Gas shall be determined by a recording thermometer installed so that it will record the temperature of the Natural Gas flowing through the meters, and such flowing temperature shall be corrected to Fahrenheit.
- (f) Heating Value and energy content will be measured by the Seller as described in "Appendix F-Heating Value Calculation of API MPMS, Chapter 14.3." The determination of Natural Gas composition shall be in accordance with the GPA Standard 2261 "Analysis for Natural Gas Chromatography" and GPA Standard 2172 "Calculation of Gross Heating Value relative density and compressibility factor for Natural Gas Mixtures from compositional analysis." The composition of the NG shall



be continuously measured by on-line chromatographs installed and maintained (or caused to be installed and maintained) by Seller at Seller's sole expense. The Heating Value of the NG shall be calculated using results from the on-line chromatograph. In the event of failure of the on-line NG chromatograph, chromatograph analysis of samples collected proportional to the flow through the meters shall be used. All electronic metering shall comply with the API Manual of Petroleum Standards, Chapter 21, Flow Measurement Using Electronic Metering Systems, First Edition, dated September, 1993, and any subsequent modification and amendment thereof. Prior to the installation of the Metering Equipment as provided in Clause 10.2, the Heating Value at the ECO Generation Facility shall be deemed to be the same as the Heating Value for the Costa Sur Units pursuant to this Clause 10.1(f).

(g) The energy content of all NG delivered hereunder shall be in Btu and shall equal the Standard Cubic Feet of such NG multiplied by the Heating Value of such NG.

10.2 Metering Equipment

- (a) Prior to February 29, 2020, the Seller shall use commercially reasonable efforts to install or cause to be installed, at Seller's expense, a main and a back-up meter and other equipment as necessary to measure the volume of Natural Gas delivered to the ECO Generation Facility hereunder (the "ECO Metering Equipment"). The ECO Metering Equipment will be installed at the point identified as "EcoEléctrica Metering Station" on the schematic attached as Annex A. The ECO Metering Equipment shall be designed and installed in accordance with the current recommendations of the American Gas Association. If the Metering Equipment (or component(s) thereof) is out of service or registering inaccurately, the volumes of Natural Gas delivered hereunder shall be estimated as follows, in descending order of priority:
 - (i) by using the registration of the Buyer Check Meter;
 - (ii) by correcting the error if the percentage of error is ascertainable by calibration, test, or mathematical calculation; or
 - (iii) by estimating the quantity of delivery by measuring deliveries during prior periods under similar conditions when any meter was registering accurately.
- (b) Buyer has the meter equipment necessary to measure the volume of Natural Gas delivered hereunder (the "Buyer Check Meters"). The Buyer Check Meters are installed at the points identified as "Costa Sur Metering Station" and "ECO Metering Station" on the schematic attached in Annex A. The Buyer Check Meters are designed and installed in accordance with the current recommendations of the American Gas Association. In the event that Buyer notifies Seller of a material discrepancy between the quantity of Natural Gas delivered at the Delivery Point by Seller according to the Buyer Check Meter, and the quantity of Natural Gas measured by the Metering Equipment, the Parties will resolve and correct such discrepancy (including with respect to adjustments for prior Natural Gas deliveries).



- (c) For the avoidance of doubt, it is the intent of the Parties that Natural Gas will only be considered delivered when it reaches the Delivery Point, and that any Natural Gas measured at the Metering Equipment that is not actually delivered to the Delivery Point will not be considered delivered and will not be charged to Buyer. In this regard, Buyer will not be charged for line fill or any losses or fuel used on the pipeline between the Metering Equipment and the Delivery Point. Also, if Owner informs Seller about its intention to consume, due to any operational event, any quantity of Natural Gas stored in the pipeline that was not delivered to Buyer at the Delivery Point and, consequently, that was already measured by the Metering Equipment at the Owner Metering Station, Seller shall notify Buyer in writing of such circumstance. The Parties will resolve any material discrepancies resulting from Seller's consumption of Natural Gas under this clause in accordance with Clause 10.2(b).
- (d) Prior to installation of the ECO Metering Equipment, quantities of NG delivered to the ECO Generation Facility will be assumed to be the quantity of regasified LNG delivered from the LNG Facilities *minus* the amount measured at the Costa Sur Metering Equipment.

10.3 Verification

The following guidelines shall be followed with regard to the verification of the Metering Equipment to be used in accordance with this Agreement:

- (a) At least once each month, and from time to time upon at least two (2) weeks prior written notice by either Party to the other, the Seller shall verify or cause to be verified the accuracy of the Metering Equipment. When as a result of such test the Metering Equipment is found to be out of calibration by no more than one percent (1%) when compared to the manufacturer's specifications for such equipment, no adjustment shall be made in the amount paid by the Buyer to the Seller.
- (b) If the testing of the Metering Equipment demonstrates that a meter is out of calibration by more than one percent (1%) when compared to the manufacturer's specifications for such equipment, the applicable Metering Equipment reading for the actual period during which out of calibration measurements were made shall be adjusted based on' the methods stated in Clause 10.2 above.
- (c) If the actual period that such equipment' has been out of calibration cannot be determined to the mutual satisfaction of the Seller and the Buyer, the adjustment shall be for a period equal to one-half of the time elapsed since the most recent test. The previous payments made by the Buyer to the Seller for this period shall be subtracted from the amount of payments that are calculated to have been owed under this Agreement. The difference in US Dollars (which may be a positive or negative amount) shall be added to the next Monthly Invoices pursuant to Clause 13.
- (d) The cost of the monthly testing and calibration of the Metering Equipment described in this Clause 10.3 shall be the responsibility of the Seller. The cost of any testing and



calibration of the Metering Equipment beyond the monthly test permitted in this Clause 10.3 shall also be the responsibility of the Seller, unless the request to test any of the Metering Equipment is made by the Buyer and the results of such test requested by the Buyer demonstrate that the Metering Equipment is less than one percent (1%) out of calibration, in which case the cost of such testing and calibration shall be for the Buyer's account.

- (e) Each Party shall comply with any reasonable request of the other concerning the sealing of the Metering Equipment, the presence of a representative of the Buyer when the seals are broken and tests are conducted, and other matters affecting the accuracy, testing and calibration of the Metering Equipment.
- (f) If either the Seller or the Buyer believes that there has been a failure or stoppage of any of the Metering Equipment, it shall immediately notify the other Party.

10.4 Availability of Readings

At the end of each Month, the Seller shall make available to the Buyer all readings of the Metering Equipment as referenced in Clause 10.2(a).

10.5 Preservation of Records

The Seller shall preserve or cause to be preserved for a period of at least three (3) years following the expiration of this Agreement all test data, charts, and other similar records regarding the measurement of Natural Gas delivered in accordance with this Agreement.

11. TRANSFER OF TITLE AND RISK; INDEMNITY

The NG to be sold by the Seller and purchased by the Buyer in accordance with this Agreement shall be delivered to the Buyer at the Delivery Point. Title and risk in NG, including the risk of loss or (without prejudice to Clause 4 above) contamination, shall pass from the Seller to the Buyer at the Delivery Point (irrespective of the location of the Metering Equipment). Seller agrees to indemnify Buyer and save it harmless from all losses, liabilities or claims including reasonable attorneys' fees and costs of court ("Claims"), from any and all Persons, arising from or out of claims of title, personal injury (including death) or property damage from said Natural Gas or other charges thereon which attach before title passes to the Buyer. Buyer agrees to indemnify Seller and save it harmless from all Claims, from any and all Persons, arising from or out of Claims regarding payment, personal injury (including death) or property damage from said Natural Gas or other charges thereon which attach after title passes to the Buyer.

12. CONTRACT PRICE

12.1 Without prejudice to Clause 26, the contract price applicable to the quantities of NG to be sold, purchased and delivered in any month during the Contract Term expressed in US Dollars/MMBtu ("Contract Price") shall be calculated as follows:

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Dates	Contract Price
Conditions Precedent Date until December 31, 2020	115% x HH + \$5.80
January 1, 2021 until December 31, 2021	115% x HH + \$5.70
January 1, 2022 until December 31, 2022	115% x HH + \$5.60
January 1, 2023 until September 2032	115% x HH + \$5.50

Notwithstanding anything to the contrary in this Clause 12.1, from the date on which (x) the Jones Act is repealed or amended such that it no longer applies to the transportation by water of LNG between United States mainland ports and Puerto Rico or (y) a waiver of the Jones Act is granted that permits, for a period of not less than one (1) year, the transportation by water of LNG between United States mainland ports and Puerto Rico by means of vessels that do not meet Jones Act requirements, the applicable Contract Price ("CP") for any quarter starting after the date the Jones Act ceases to be applicable for such traffic, shall be calculated as follows:

$$CP=115\% \times HH + $4.80$$

- 12.2 If the Parties are unable to so agree upon a suitable alternative replacement for such source of information or for such index then either Party may refer the matter to an Expert for determination in accordance with Clause 20.2.
- 12.3 The Seller shall maintain a current accounting of, and shall invoice the Buyer on a monthly basis in accordance with Clause 13 the following (collectively the "Incremental Costs"):
 - (a) any cost originated by the demurrage in the Seller's projected deliveries and use of the Owner's LNG terminal under the Existing TSA caused by reasons attributable to the Buyer; and
 - (b) any sums as a result of indemnification obligations paid by the Seller to the Owner related to the payment of liquidated damages under the PPOA and passed through under the Existing TSA, so long as such sums were ultimately caused by the Buyer's breach of its obligations to take and receive NG hereunder.

In any case, the Incremental Costs shall be duly justified and documented costs, effectively charged by Owner to the Seller. Any incremental Costs arising pursuant to this Clause 12.3 shall not constitute incidental, consequential, indirect, special, punitive or exemplary damages.

13. INVOICING, PAYMENT AND CREDIT REQUIREMENT

13.1 Every month the Seller shall invoice the consumption of the Costa Sur Units and the ECO Generation Facility corresponding to the previous calendar month, and whatsoever other amounts that are owed for those items regulated in accordance with this Agreement and current regulations governing the provision of the services at any given time.



- 13.2 The Seller shall prepare and shall give to the Buyer by not later than the tenth (10th) Day after the end of each calendar month an invoice (the "Monthly Invoice") which shall show in respect of the preceding calendar month the following information:
 - (a) the applicable Contract Price;
 - (b) the total quantity of NG delivered to the Buyer at the Delivery Point;
 - (c) the Buyer's NG Credit for such month;
 - (d) any applicable Taxes due for payment by the Buyer; and
 - (e) the net amount payable by the Buyer to the Seller shall be the Contract Price multiplied by the quantities set down in (b) (reduced by the Buyer's NG Credit), plus the Applicable Taxes amounts under (d).
- 13.3 The Buyer shall pay the net amount to the Seller as due in accordance with such Monthly Invoice.
- 13.4 If Buyer incurs a liability to the Seller pursuant to Clause 8 for a Monthly Take or Pay Payment or a Quarterly Take or Pay Payment, then Seller shall send to the Buyer (following the end of the applicable month or Contract Quarter) an invoice and reasonable supporting documentation showing the amount payable by the Buyer pursuant to Clause 8.
- 13.5 If Seller incurs a liability to the Buyer for failing to deliver NG pursuant to Clause 9, then the Buyer shall send to the Seller (following the end of the applicable month) an invoice and the supporting documentation showing the amount payable by the Seller in accordance with Clause 9.
- 13.6 If any sums are due from one Party to the other Party, except for reasons addressed in Clauses 13.2, 13.4. and 13.5, then the Party to whom such sums are owed shall furnish to the other an invoice describing in reasonable detail the basis for the invoice and providing relevant supporting documentation.
- 13.7 In respect of any invoice issued pursuant to this Clause 13, the Buyer or the Seller as the case may be, shall pay the amount due within thirty (30) Days after receipt of such invoice.
- 13.8 Payment of amounts due to one Party from the other Party shall be made by wire transfer in immediately available funds into the bank account nominated from time to time by the Party to which the funds are owed. Each payment of any amount owing hereunder shall be for the full amount due, without reduction, withholding or offset for any reason (including any exchange charges, bank transfer charges or other fees or Taxes). Until further notice, the bank account for each Party is as follows:

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Seller: Bank Name: Banco Santander Puerto Rico

Bank Account #3004696629

Buyer: The wire transfer information forwarded by the Chief Financial Officer of PREPA to Seller's authorized representative via email.

Notwithstanding the foregoing, Seller shall request from Buyer wire instructions prior to transferring any funds to Buyer and shall provide Buyer bank confirmation upon completion of each such transfer.

- 13.9 If any Party fails to pay the other Party the full amount of any invoice due by the due date, such Party shall also pay interest thereon to the other Party for the period commencing from and including the due date until and including the Day when payment is made. Interest shall be calculated at the rate of four hundred (400) basis points above the LIBOR percentage rate per annum but no greater than the maximum amount allowable by Applicable Law.
- 13.10 If a Party disagrees in good faith with any invoice, such Party shall pay the full amount invoiced or so stated by the due date thereof and shall immediately notify the other Party of the reasons for its disagreement. An invoice may be contested by the Party that received it, or modified by the Party that sent it, by written notice delivered to the other Party within a period of one hundred and eighty (180) Days after such receipt or sending, as the case may be. If no such notice is served within such period of one hundred and eighty (180) Days, such invoice shall be deemed correct and accepted by both Parties. Promptly after resolution of any Dispute as to an invoice, the amount of any overpayment or underpayment shall be paid by the Seller or the Buyer, as the case may be, to the other Party, together with interest thereon at the rate provided in Clause 13.9 from the date payment was due to the date of payment.
- 13.11 If, at any time during the Term, Buyer becomes a Non-Commonwealth Entity, Seller will have the right to terminate the Agreement pursuant to Clause 18.1(b)(ii), unless effective on the date on which Buyer becomes a Non-Commonwealth Entity, Buyer satisfies, and covenants to maintain in full force and effect during the Term, one of the following:
 - (i) full compliance with the Credit Standards;
 - (ii) the delivery to Seller of a legal, valid, binding and enforceable Guarantee from an Acceptable Guarantor; or
 - (iii) the delivery of a Letter of Credit.
- 13.12 Any Letter of Credit provided by an Acceptable Private Assignee pursuant to this Agreement shall be subject to the following provisions:
 - (i) Unless otherwise agreed in writing by the Parties, each Letter of Credit shall be maintained for the benefit of Seller. The Acceptable Private Assignee shall renew or cause the renewal of any Letter of Credit on a timely basis as provided in the relevant Letter of Credit. If a Letter of Credit Default occurs Seller shall have the right to make a drawing on the Letter of Credit in full unless such assignee shall have provided for the benefit of Seller a substitute Letter of



- Credit (meeting the conditions of Clause 13.12) in equal amount to the Letter of Credit being replaced by the close of business on the date that is five (5) Business Days following the occurrence of such Letter of Credit Default.
- (ii) Each Letter of Credit shall provide that Seller may draw upon the Letter of Credit in an amount (up to the face amount for which the Letter of Credit has been issued) that is equal to any or all amount(s) that are due and owing from such assignee under this Agreement, but have not been paid to Seller when due, upon presentation to the issuing bank of one or more statements certified by Seller that the amount(s) drawn under the Letter of Credit represent amounts due and owing under the Agreement.
- (iii) Each Letter of Credit shall provide that Seller may draw the full amount due and owing by such assignee to Seller on the date thereof pursuant to this Agreement (up to the entire undrawn amount of the Letter of Credit) if any event giving Seller the right to terminate this Agreement pursuant to Clause 18.1(b)(ii) has occurred and is continuing, upon presentation to the issuing bank of one or more statements certified by Seller that such an event has occurred and is continuing with respect to the Acceptable Private Assignee.
- (iv) Each Letter of Credit shall provide that Seller may draw the full amount of such Letter of Credit in case of any default by such assignee under the Agreement.
- (v) Buyer shall have the right, but not the obligation, to cause the reissuance of a new Acceptable Letter of Credit at any time.
- 13.13 An Acceptable Private Assignee, other than an Acceptable Private Assignee that has provided an Acceptable Letter of Credit to Seller, shall (i) notify Seller promptly, but in no event more than fourteen (14) days after the date on which such assignee becomes aware of the occurrence of a Credit Standard Event and (ii) within thirty (30) days of such Credit Standard Event, provide replacement credit support in the form of an Acceptable Guarantee or an Acceptable Letter of Credit. If the Acceptable Private Assignee fails to deliver such Acceptable Letter of Credit or Acceptable Guarantee in accordance with of the previous sentence, Seller may terminate this Agreement upon notice with immediate effect.
- 13.14 An Acceptable Private Assignee that has provided an Acceptable Letter of Credit to Seller shall (i) notify Seller promptly, but in no event more than fourteen (14) days after the date on which such assignee becomes aware of the occurrence of a Letter of Credit Issue Event and (ii) within thirty (30) days of such Letter of Credit Issuer Event, provide replacement credit support in the form of an Acceptable Guarantee or an Acceptable Letter of Credit. If the Acceptable Private Assignee fails to deliver such Acceptable Letter of Credit or Acceptable Guarantee in accordance the previous sentence, Seller may terminate this Agreement upon notice with immediate effect.



14. DUTIES, TAXES AND CHARGES

- 14.1 Each of the Seller and the Buyer shall be responsible for the payment of all taxes, fees, levies, royalties, duties, penalties, licenses, and other charges imposed by any Governmental Authority ("Taxes") which it incurs and for which it is legally responsible for as a result of complying with this Agreement and which correspond to such Party under all applicable tax regulations and laws in force at the "Effective Date" (as defined in the Pre-Restatement GSPA) and throughout the Contract Term in each of the jurisdictions relevant to this Agreement connected to the Parties. If Party is required to remit or pay Taxes that are the other Party's responsibility hereunder, the Party responsible for such Taxes shall promptly reimburse the other Party for such Taxes. Any Party entitled to an exemption from any such Taxes or charges shall furnish the other Party any necessary documentation thereof.
- 14.2 For the avoidance of doubt and notwithstanding the above:
 - (a) Seller represents and warrants that it is the importer of record for all Natural Gas delivered hereunder, and shall be responsible for entry and entry summary filings as well as the payment of associated duties, Taxes and fees, if any, and all applicable record keeping requirements;
 - (b) Buyer shall pay or cause to be paid all Taxes imposed by any Governmental Authority after the Delivery Point on the sale, use, or purchase Natural Gas delivered to the Buyer under this Agreement (and on any LNG from which such Natural Gas is derived) and its transportation within the territory of Puerto Rico after the Delivery Point; provided that at all times the Seller shall be responsible for the payment of all and any Corporate Tax payable in Puerto Rico in connection with this Agreement; and
 - (c) Seller shall pay or cause to be paid all Taxes imposed by any Government Authority on or with respect to Natural Gas delivered to the Buyer under this Agreement (and on any LNG from which such, Natural Gas is derived) prior to the Delivery Point and all Taxes at the Delivery Point.

15. FORCE MAJEURE

15.1 Neither the Seller nor the Buyer shall be liable for any failure to perform or for omission or delay in the performance of any of its obligations under this Agreement, other than the obligation to make payments of money when due, if and to the extent that the affected Party's performance is prevented, delayed or interfered with by an act, event or circumstance, or combinations of events or circumstances, whether of the kind described herein or otherwise, that is not reasonably with in its control, such Party having acted as a Reasonable and Prudent Operator and which effects could not be prevented or overcome by the exercise of due diligence ("Force Majeure").

For the avoidance of doubt, provided that the requirements set out in the preceding paragraph are met, events of Force Majeure shall include but not be limited to the following:

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- (a) Loss of, serious accidental damage to, inaccessibility or incapacity of, or inoperability of the relevant loading terminal or upstream facilities affecting an LNG cargo and source indicated in the LNG Delivery Plan. The "LNG Delivery Plan" shall mean the indicative LNG cargo scheduling program submitted by the Seller to the Buyer, solely for the purposes of this Clause, not later than thirty (30) Days prior to the commencement of each Contract Year and which shall include for each LNG cargo the expected source. The Seller shall inform Buyer of any modifications to the sources indicated in the LNG Delivery Plan, provided that Seller shall not, at any time nominate any source that is affected by Force Majeure or that is affected by any event that could reasonably lead to a claim of Force Majeure relief under this Agreement;
- (b) Loss of, serious accidental damage to, inaccessibility or incapacity of, or mechanical breakdown or inoperability of an LNG ship requiring her removal from service;
- (c) Loss of, serious accidental damage to, inaccessibility or incapacity of, or inoperability of the LNG Facilities;
- (d) Loss of, serious accidental damage to, inaccessibility or incapacity of, or inoperability of any of the Costa Sur Units or any of the generation units at the ECO Generation Facility that prevents the operation or dispatch of such unit; provided that if an event of Force Majeure affects just one such unit but not any other, the affected Party shall only be released from its obligations under this Agreement with regard to the unit affected by the event of Force Majeure;
- (e) Acts of God, lightning, storm, typhoon, hurricane, tornado, earthquakes, fires, floods, tsunami, earthquake, landslide, soil erosion, subsidence, washout, epidemic, shipwreck, navigational and maritime perils, acts of any Competent Authority or compliance with such acts; explosions, acts of the public enemy, wars (whether declared or undeclared), terrorism or threat thereof, civil war, piracy, civil and military disturbances, strikes, blockades, insurrections, riots, epidemics and quarantine restrictions; strike, lockout or other industrial disturbances involving an enterprise other than a Party, its transporter or its agents or sub-contractors in connection with the Agreement; radioactive contamination or ionizing radiation; or breakdown or unavailability of port facilities or port services (including the channel, tugs or pilots); and
- (f) Loss of, serious accidental damage to, inaccessibility or incapacity of, or inoperability of the Grid System that prevents the normal dispatch of any of the Costa Sur Units or any of the generation units at the ECO Generation Facility.
- 15.2 Notwithstanding the foregoing provisions of Clause 15.1, the following shall not be events of Force Majeure:
 - (a) events arising out of market decline, market failure, industry economic conditions, or general economic conditions;



(b) the failure to obtain or the withdrawal of any authorization, approval, permit or permission of any Competent Authority, of which the Party claiming Force Majeure was aware, or should have been aware, acting as a Reasonable and Prudent Operator, to the extent such Party could have applied for, obtained, maintained, or extended any such authorization, approval, permit, or permission;

provided, however, that the failure to obtain any authorization, approval, permit or permission of any Competent Authority that is required in order to satisfy the Conditions Precedent shall under no circumstances be considered Force Majeure.

- 15.3 In the event of any failure or delay of a Party's performance due to the occurrence of a Force Majeure event, the affected Party shall use reasonable efforts (acting as a Reasonable and Prudent Operator) to resume as soon as possible full performance of its obligations under this Agreement, provided that the settlement of strikes or boycotts, lockouts or other industrial disputes, or obstructive action by organisations or local inhabitants, shall be entirely within the discretion of the Party concerned.
- 15.4 A Party intending to seek relief under this Clause 15 shall as soon as reasonably practicable after it becomes aware of the occurrence of a Force Majeure event:
 - (a) notify the other Party of the occurrence of an event that it considers may subsequently lead it to claim Force Majeure relief under this Agreement, describing such event, in as much detail as is then reasonably available, and the obligations, the performance of which has been or could be delayed, hindered or prevented thereby, and the estimated period during which such performance may be suspended or reduced, including (to the extent known or ascertainable) the estimated extent of such suspension or reduction in performance; the obligations which could or have been actually delayed or prevented in performance and the estimated period during which such performance may be suspended or reduced, including (to the extent known or ascertainable) the estimated extent of such suspension or reduction in performance;
 - (b) give a bona-fide good faith estimate of when it shall be able to resume full performance of its obligations; and
 - (c) give the particulars of the programme to be implemented, if any, to resume full performance hereunder subject to any Third Party confidentiality obligations.

Such notices shall thereafter be supplemented and updated at reasonable intervals during the period of such Force Majeure, specifying the actions being taken to remedy the circumstances causing such Force Majeure and the date on which such Force Majeure is expected to terminate.

15.5 If any Party claims relief under this Clause 15, it shall allow reasonable access to the other Party, upon such other Party's written request, to examine the scene of such event or circumstance which gave rise to the Force Majeure claim, provided that the Party not claiming relief under this Clause 15 shall bear the cost, expense and risk of examining such site.



- Where an act, event or circumstance prevents, impedes or delays a Party's performance hereunder, even if such act, event or circumstance primarily affects a Third Party or Third Parties, it shall constitute Force Majeure hereunder as to the Seller or the Buyer, as appropriate, if and to the extent that it is of a kind or character that, if it had happened to a Party, would have come within the definition of Force Majeure under this Clause 15.
- 15.7 Force Majeure takes effect at the moment a Force Majeure event occurs, not upon giving notice. A Party whose performance is excused by Force Majeure shall not be required, during the period in which the circumstances of the Force Majeure event are continuing, to incur uneconomic costs, make additional investments in new facilities, or bring into production existing or potential reserves not already flowing in support of this Agreement.
- 15.8 If Seller is rendered wholly or partially unable to deliver NG under this Agreement as a result of a Force Majeure event claimed only by the Buyer, Seller shall have the right to enter into binding contracts with Third Parties to sell and deliver LNG that is not reasonably expected to be needed by the Seller to meet its obligations to the Buyer hereunder based on the expected extent and duration of such Force Majeure as notified by the Buyer.
- 15.9 If the Force Majeure event is forecast to last (or actually lasts) for a period such that the affected Party shall be prevented from or delayed in performing its obligations hereunder for a period of one hundred eighty (180) consecutive Days or more from the date on which the Force Majeure event first occurred, the Party not claiming Force Majeure shall have the right to terminate this Agreement without liability to either Party by giving written notice to the other Party.

16. REPRESENTATIONS, WARRANTIES, LIABILITIES AND INDEMNITIES

- 16.1 Each Party hereby represents and warrants to the other Party that, as of the Conditions Precedent Date, to the actual knowledge of its officers and directors:
 - (a) With regard to Seller, that the Restatement TSA is in full force and effect and contains provisions that provide that during the Contract Term Seller has the exclusive right to use the existing capacity of the LNG Facilities.
 - (b) With regard to Seller it is a corporation or limited liability company duly formed, validly existing and in good standing under the laws of the state and/or country of its incorporation or organization, and is duly qualified to do business in, and is in good standing in, all other jurisdictions where the nature of its business or nature of property owned by it makes such qualification necessary.
 - (c) With regard to Buyer it 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 do business in, and is in good standing in the jurisdictions where the nature of its business or nature of property owned by it makes such qualification necessary.



- (d) Each Party has all requisite power and authority to conduct its business, to own or lease and operate its properties, and to execute, deliver, and perform its obligations under this Agreement.
- (e) The execution, delivery and performance by such Party of this Agreement has been duly authorized by all necessary corporate action on the part of such Party and do not (i) require any consent or approval of any Competent Authority, such Party's governing body or any other Person, other than those that have been obtained, or the failure to obtain, of which would not have, or could not reasonably be expected to have, a material adverse effect on each Party's ability to perform its obligations hereunder, (ii) violate any provision of such Party's articles of incorporation or by-laws, or other organizational documents, or any Applicable Law in effect, or (iii) result in a breach of or constitute a default under such Party's organizational documents or other material indentures, contracts or agreements to which it is a party or by which it or its properties may be bound.
- (f) This Agreement is a legal, valid, and binding obligation of the Seller and the Buyer enforceable against the Seller and the Buyer, as appropriate, in accordance with its terms.
- 16.2 The Seller warrants that it has good title to or good right to all NG delivered hereunder and that all NG delivered to the Buyer at the Delivery Point shall be free and clear of all liens, security interests, charges, assessments, privileges, encumbrances and adverse claims whatsoever. The Seller makes no other representation or warranty, written or oral, express or implied that the NG will be fit for a particular purpose, or will be of merchantable quality, and all such representations and warranties are expressly excluded to the fullest extent permitted by law, but nothing in this Clause 16.2 affects the requirement that all NG delivered to the Buyer under this Agreement will meet the Specifications of Clause 4.
- 16.3 The Seller represents and warrants that it will take or cause to be taken all necessary actions to start NG deliveries after the date that all of the Conditions Precedent are satisfied or waived and that to that end it will obtain or cause to be obtained all required approvals, consents or authorizations from the relevant Competent Authority.
- 16.4 Seller acknowledges and agrees that (i) the Costa Sur Units suffered damage from an earthquake in Puerto Rico that occurred in January of 2020, and (ii) while Buyer has launched an assessment of this incident, Buyer has not yet determined whether it will rehabilitate or retire the damaged Units as of the Effective Date.
- 16.5 Except as provided elsewhere in this Agreement, a Party shall not be liable to the other Party under this Agreement, or in tort or otherwise howsoever as a result of any act or omission in the course of or in connection with the carrying out of this Agreement, for or in respect of:
 - (a) any consequential, special or punitive loss or damage suffered or incurred by the other Party or its Affiliates;



- (b) any loss of income, profits, production or revenue suffered or incurred by the other Party or its Affiliates;
- (c) any business interruption suffered or incurred by the other Party or its Affiliates; or
- (d) any Claim, demand or action made or brought against that other Party by a Third Party.
- 16.6 Except for the provisions of Clause 12.3, the Buyer's liability arising out of or in connection with any failure to take delivery of NG under this Agreement shall be limited to the amounts payable pursuant to Clause 8 which shall be the Seller's sole and exclusive remedy in such event.
- 16.7 The Seller's liability for failure to deliver will be limited to the payment of the amounts detailed in Clause 9, which shall be the Buyer's sole and exclusive remedies in such event.

17. ASSIGNMENT

- 17.1 The Parties acknowledge that Buyer is undergoing a transformation process, and therefore, both Parties agree that in the eventuality of the execution of a Partnership Contract, Sale Contract or any other PREPA Transaction (as these terms are defined in Act No. 120-2018, otherwise known as Puerto Rico Electric System Transformation Act, as amended), Buyer may sell, assign, convey, transfer, pledge, mortgage, sublease, delegate, hypothecate, or otherwise dispose (each, a "Transfer") any of its rights, title, or interest (by novation or other instrument) in this Agreement as permitted by Applicable Law and at any time, and without Seller's consent or cost, expense or incremental liability to Buyer, to either a Commonwealth Entity or a Non-Commonwealth Entity. Buyer shall provide notice to Seller of its intent to Transfer this Agreement no later than thirty (30) days prior to the anticipated date of the Transfer.
- 17.2 On the Transfer Date, Clauses 17.1 and 26 shall cease having any force or effect under this Agreement.
- 17.3 Except as provided in Clauses 17.1, 17.4 and 17.5, neither Party may assign any of its rights or delegate any of its obligations under this Agreement to a Third Party without the prior written consent of the other Party. Any purported assignment of a Party's rights or obligations hereunder in contravention of this Clause 17 shall be null and void and shall have no force or effect.
- 17.4 Notwithstanding the foregoing, either Party shall be entitled to assign, or as appropriate, delegate, all, but not part, of its rights and obligations under this Agreement to an Affiliate by providing notice to the other Party, provided that subsequent to any assignment or delegation made pursuant to this Clause 17.4, the original Party and each subsequent assignee or delegatee, having itself assigned or delegated to an Affiliate, shall be fully liable under this Agreement in the event of non-fulfilment of its obligations under this Agreement by an assignee or delegate.
- 17.5 Notwithstanding the foregoing provisions of this Clause 17, and without the prior written consent of the Buyer but subject to the Seller's written notification to the Buyer, the Seller may



assign (a) its rights to payment under this Agreement to a trust, trustee, bank, paying agent, financial entity or other Person or company for the purposes of any bona fide financing or in order to facilitate the making of any such payment, and (b) any of the Seller's rights under this Agreement to any lender or lender's agent as security for its obligations to any such lender under any such financing.

18. TERMINATION

- 18.1 This Agreement may be terminated if any of the following circumstances occur:
 - (a) the mutual agreement of the Parties;
 - (b) in the event that a Termination Event on the part of either Party (the "**Defaulting Party**") has occurred, the other Party may at any time after which such Termination Event has occurred or during which such Termination Event is otherwise continuing, terminate this Agreement by giving written notice of termination to the Defaulting Party in accordance with this Clause 18, with such termination to take effect as from and including the date of such notice. In relation to either Party each of the following shall constitute a termination event (a "**Termination Event**"):
 - (i) if any amount payable by that Party under this Agreement has not been paid in full by the due date for the payment of the relevant invoice and the other Party has (after such due date) given notice to the Party requiring payment of such amount and the amount has not been paid in full within ten (10) Business Days after the date of such notice;
 - (ii) If a Buyer that is a Non-Commonwealth Entity fails to comply with Clause 13.11;
 - (iii) If a Credit Standard Event or a Letter of Credit Issuer Event or a Letter of Credit default occurs and such events are not remedied in accordance with Clause 13.13 or 13.14;
 - (iv) if that Party is unable to pay, suspends payment of, or agrees to a moratorium (or threatens any of the foregoing) with respect to all or a substantial part of its debts, makes a general assignment or any composition or compromise with or for the bene fit of its creditors except to the extent otherwise permitted by this Agreement, takes any proceedings with view to a readjustment, rescheduling or deferral of all or a substantial part of its indebtedness (other than in the case of a refinancing);
 - (v) if any order is made, or a petition is presented and not withdrawn within a period of twenty-one (21) Days, for the winding-up, liquidation, dissolution, custodianship or administration (or any equivalent proceedings) of that Party;
 - (vi) in the case of the Buyer (other than for reasons of Force Majeure or the fault of the Seller), if the Buyer fails to take delivery of a Monthly Take or Pay Quantity



- greater than fifty percent (50%) of the sum of the DCQs for any period of three (3) consecutive months;
- (vii) in the case of the Seller, if there is a Seller Shortfall Quantity greater than fifty percent (50%) of the sum of the DCQs for any three (3) month period;
- (viii) if a Party fails to perform or comply with any material obligation or representation contained in this Agreement other than the Buyer's failure to take delivery as referred to in Clause 16.6 and the Seller's failure to deliver referred to in Clause 16.7 and such failure continues unremedied for a period of ten (10) Business Days following receipt of written notice of such default from the other Party;
- (ix) the occurrence of an event of Force Majeure, where the conditions of Clause 15.9 have been met;
- (x) if Buyer has retired both Costa Sur Units and Buyer terminates the Restatement PPOA for Owner's default;
- (xi) if Buyer retires both of the Costa Sur Units after Buyer has terminated the Restatement PPOA for Owner's default; or
- (xii) pursuant to Clauses 3.3, 29.4 or 30.2

provided, however, that paragraphs (iv) and (v) above shall not operate as a Termination Event with respect to Buyer prior to the occurrence of the Bankruptcy End Date.

- 18.2 On and at any time after the occurrence of a Termination Event, any Party not subject to such Termination Event may, while such Termination Event subsists, by giving five (5) Days' written notice of its intentions to the Defaulting Party, suspend performance of its obligations under this Agreement. Where the Defaulting Party is the Buyer, any such suspension by the Seller shall not constitute a failure by the Seller to make such quantities of NG available for sale and delivery pursuant to the terms of this Agreement during such period of suspension, and the Buyer shall have no rights in respect of such suspended deliveries during such period of suspension. Where the Defaulting Party is the Seller, any such suspension by the Buyer shall not constitute a failure by the Buyer to take delivery of such quantities of NG pursuant to the terms of this Agreement during such period of suspension, and the Seller shall have no rights in respect of such suspended deliveries during such period of suspension. If such Termination Event is remedied thereafter (including, with respect to any late payments, payment in full of any such outstanding invoice together with interest thereon), prior to the exercise of rights under Clause 18.3, the notice of suspension served under this Clause 18.2 shall be deemed to be revoked automatically.
- 18.3 The termination of this Agreement under this Clause 18 for any reason shall be without prejudice to the rights and remedies of the terminating Party accrued prior to such termination under this Agreement, including in respect of any antecedent breach (whether or not a repudiatory breach) giving rise to such termination. For the avoidance of doubt, neither Party



will be liable to pay any termination payment upon termination of this Agreement other than in respect of liabilities accrued prior to the date of termination.

19. APPLICABLE LAW

This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico and, to the extent applicable, the laws of the United States of America, excluding any choice-of-law provisions that would require application of the laws of a different jurisdiction. The United Nations Convention on Contracts for the International Sale of Goods (the Vienna Sales Convention 1980) and the Convention on the Limitation Period in the International Sale of Goods shall not apply to this Agreement or to the performance thereof or to any aspect of any Dispute arising therefrom.

20. SETTLEMENT OF DISPUTES

20.1 Exclusive Jurisdiction

- (a) Any claim, dispute, disagreement or controversy (each, a "**Dispute**") that arises between the Parties under this Agreement or that is otherwise related to the subject matter of this Agreement, except for those Disputes to be resolved through Expert determination pursuant to Clause below, shall be resolved exclusively in the Federal District Court for the District of Puerto Rico.
- (b) In the event of such Dispute, each Party shall continue performing its obligations hereunder except to the extent such obligations have been properly suspended pursuant to the terms hereof. For the avoidance of doubt, the Buyer shall continue paying amounts due under Clause 13.

20.2 Expert Determination

Any Dispute that arises bet ween the Parties with respect to (a) the determination of quality under Clause 4, or (b) Clause 10 may be referred by either Party to an Expert for such Expert's determination of such Dispute, disagreement or other matter of interpretation in accordance with the following guidelines:

- (a) The Parties hereby agree that such determination shall be conducted expeditiously by an Expert selected unanimously by the Parties.
- (b) The Expert shall not be deemed to be acting in an arbitral capacity.
- (c) The Party requesting that any matter arising under Clauses 4 or 10 of this Agreement is referred to an Expert shall give the other Party notice of such request. If the Parties are unable to agree on the identity of an Expert within ten (10) Days after receipt of the notice of request for an Expert determination, then, upon the request of any of the Parties, the International Centre for Expertise of the International Chamber of Commerce shall appoint such Expert and shall administer such Expert determination through the ICC's Rules for Expertise.



- (d) The Expert shall be and remain at all times wholly impartial as between the Parties, and, once appointed, the Expert shall have no ex parte communications with either of the Parties concerning the Expert determination or the underlying Dispute.
- (e) The Expert procedure shall take place in San Juan, Puerto Rico in English.
- (f) Both Parties agree to cooperate fully in the expeditious conduct of such Expert determination and to provide the Expert with access to all facilities, books, records, documents, information and personnel necessary to make a fully informed decision in an expeditious manner.
- (g) Before issuing a final decision, the Expert shall issue a draft report and allow the Parties to comment on it.
- (h) The Expert shall endeavor to resolve the. Dispute within thirty (30) Days (but no later than sixty (60) Days) after his appointment, taking into account the circumstances requiring an expeditious resolution of the Dispute.
- (i) The Expert's decision shall be final and binding on the Parties.

20.3 Qualification of Experts

- (a) No Person, without the prior written agreement of the Parties, shall be appointed as an Expert pursuant to Clause 20.2, if such Person:
 - (i) is (or has been at any time within ten (10) years preceding notice of the Dispute) an employee of a Party or of an Affiliate of a Party;
 - (ii) is (or has been at any time within five (5) years preceding notice of the Dispute) a consultant or contractor of a Party or of an Affiliate of a Party;
 - (iii) holds any significant financial interest in a Party; or
 - (iv) does not have at least ten (10) years' experience advising or working in the North American NG industry with respect to the subject matters subject to the Expert's determination under Clause 20.2.
- (b) The Parties shall, within two (2) months after the execution of this Agreement, agree on a list of possible Experts for purposes of Clause 20.2; provided, however, that in the event that the Parties are unable to agree on a list of acceptable Experts, then in the event of a Dispute subject to Expert determination pursuant to Clause 20.2, the Expert shall be appointed by the International Centre for Expertise of the International Chamber of Commerce in accordance with Clause 20.2.



21. NON-WAIVER

Delay or failure to exercise any right, power or remedy accruing to any Party as the result of any breach or default hereunder shall not impair any such right, power or remedy, nor shall it be construed to be a waiver of any such breach or default.

22. CONFIDENTIALITY

- 22.1 The existence and terms of this Agreement and any information directly or indirectly disclosed or furnished, whether orally, in writing or in electronic, digital or any other form, by either Party (or its representatives, employees, directors, officers, agents or Affiliates) (the "Disclosing Party") to the other Party (or its representatives, employees, directors, officers, agents or Affiliates) (the "Receiving Party") in connection with this Agreement (or in connection with the terms and conditions or the negotiation of any other agreement or document related to this Agreement or to is subject matter either between the Parties or otherwise) which is not:
 - (a) already known to the Receiving Party; or
 - (b) already in the public domain (other than as a result of a breach of the terms of this Clause 22.1),

such information being "Confidential Information" shall, unless otherwise agreed in writing by the Parties, be kept confidential and shall not be sold, traded, published or otherwise disclosed to any Third Party in any manner whatsoever (except as provided in Clause 22.2) by the Receiving Party.

- 22.2 The Receiving Party may disclose Confidential Information to the following Persons without the consent of the Disclosing Party:
 - (a) to the Receiving Party's and its Affiliates' directors, agents and employees;
 - (b) to the Receiving Party's lenders and prospective lenders for the sole purpose of obtaining financing based on this Agreement;
 - (c) to the Receiving Party's advisors and consultants, including legal counsel, accountants and other agents of the Receiving Party for purposes connected with this Agreement;
 - (d) to the operator(s) of electricity transmission and distribution facilities in Puerto Rico;
 - (e) to Third Parties on an aggregated basis to the extent such information is delivered to such Third Party for the sole purpose of calculating a published index;
 - (f) to Experts and any court in connection with the resolution of a Dispute; and
 - (g) to co-shareholders and partners in upstream and downstream projects, any operator of the Seller's facilities and any other relevant Third Parties, in all cases limited (i) only

to operational information; and to the extent strictly necessary to implement this Agreement.

- 22.3 The Receiving Party disclosing Confidential Information pursuant to Clause 22.2 to a Person identified in Clause 22.2(b) to 22.2(g) shall ensure that such Person undertakes to hold such Confidential Information subject to confidentiality obligations equivalent to those set out in Clause 22.1 (excluding legal counsel). Each Party understands that the Receiving Party, and Persons listed in Clause 22.2(a), (b) or (c) may now or in the future work on similar projects, and the Parties agree that, without prejudice to the other provisions in this Clause 22, such Persons shall not be precluded from working on such other projects because they have reviewed any Confidential Information.
- 22.4 In the event that disclosure is required by any Competent Authority or Applicable Law, the Receiving Party subject to such requirement may disclose the Confidential Information to the extent so required, but shall promptly notify the Disclosing Party of such disclosure prior to so doing, and shall cooperate (consistent with the Receiving Party's legal obligations) with the Disclosing Party's efforts to obtain protective orders or similar restraints with respect to such disclosure at the expense of the Disclosing Party. Notwithstanding the foregoing, Seller acknowledges that the foregoing shall not apply to any requirements applicable to the Buyer to disclose any Confidential Information that Buyer is required to disclose as a public entity under Applicable Law.
- 22.5 No press release or public statement concerning the existence, execution of, or other matters directly related to, this Agreement, or the transactions contemplated hereby, shall be issued by the representatives, directors, officers, agents or employees of either Party or its Affiliates unless otherwise agreed by the Parties in writing. In the case of any such press release or public statement, the Parties shall first consult and agree to the specific contents and the manner or timing of presentation or publication thereof. The foregoing shall not apply to any announcement by a Party required in order to comply with any Applicable Law, provided that in this case the relevant Party making such announcement notifies the other Party of the details of such announcement, the relevant Applicable Law to be complied with and, where applicable, the addressee or addressees of such announcement.
- 22.6 The Parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with the breach of the confidentiality obligation set out in this Clause 22.

23. NOTICES

All notices, to be given under this Agreement by one Party to the other shall be in writing, sent to the attention of the person indicated in Clause 24 either at (i) the address specified in Clause 24 or (ii) the e-mail address specified in Clause 24 which must be followed with a physical mailing confirming such e-mail and, unless otherwise agreed, in either English or Spanish.

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24. ADDRESSES

<u>SELLER</u>: Naturgy Aprovisionamientos S.A.

Av. de San Luis 77 28033 Madrid

Spain

Attention: Emilio Guerra Soriano

LNG Portfolio Management

Telephone: +34 91 589 2812

Email: eguerra@naturgy.com

With *copy* to: Daniel Martín Gómez

LNG Portfolio Management

Telephone: +34 91 201 5761

Email: dmarting@naturgy.com

BUYER: Puerto Rico Electric Power Authority

Apartado 363928

San Juan, Puerto Rico 00936-3928

Attention: Attn: Fuels Office Manager

Fuels Office Manager

Telephone: 787-521-4005

616 prioric. 787-321-400

Email: Edwin.barbosa@prepa.com @prepa.com

With Copies to: Attn: Operational Manager

Power Purchase Contracts

Telephone: 1-787-521-5838 or 1-787-521-5050

Email: javier.soto@prepa.com; gary.soto@prepa.com

Attention: Attn: Chief Financial Officer

Telephone: 787-521-4504 or 787-521-4506

Email: Nelson.Morales@prepa.com

Either Party may change its address details by giving not less than five (5) Days' written notice to the other Party.

25. BUSINESS PRACTICES AND FOREIGN CORRUPT PRACTICES ACT

25.1 Each Party agrees that in connection with its activities conducted pursuant to this Agreement, neither it nor any of its directors, officers, employees, agents, contractors, or Affiliates shall (a) take any action, or omit to take any action that would violate any Applicable Law applicable to that Party, (b) make, promise to make, or authorize, the making of any payment, gift or transfer of anything of value, directly or indirectly, to any official or employee of any government or instrumentality of any government or to any political party or official thereof



or any candidate of any political party for the purpose of influencing the action or inaction of such official, employee, political party or candidate, or (c) otherwise take any action, or omit to take any action that would cause the other Party to be in violation of any Applicable Law related to the business practices of such other Party, including the United States Foreign Corrupt Practices Act, the laws of the European Union and the Spanish anti-bribery and corruption laws.

- 25.2 Each Party agrees and undertakes, on behalf of itself, its directors, officers, employees, agents, contractors or Affiliates, not to pay any fees, commissions or rebates to any employee, officer or agent of the other Party or its Affiliates or shareholders nor provide or cause to be provided to any of them any gifts or entertainment of significant cost or value in connection with their activities conducted pursuant to this Agreement or in order to influence or induce any actions or inactions in connection with the commercial activities of the Parties under this Agreement.
- 25.3 Without prejudice to Clause 27.5, neither Party shall use any broker, agent, or other intermediary in connection with soliciting, obtaining, negotiating, structuring or performing this Agreement or in connection with the subject matter to which it applies.
- 25.4 Each Party shall indemnify and hold the other Party harmless from and against any and all losses, damages, liabilities, costs, expenses and claims which arise out of, are incident to, or result from any breach by such Party of this Clause 25.

26. ADDITIONAL LNG DELIVERY POINT.

- 26.1 Buyer shall have the right to require Seller to deliver LNG cargos to an Additional LNG Delivery Point in lieu of delivery to the LNG Facilities, subject to the requirements of this Clause 26.
- Seller acknowledges that Buyer has undertaken / will commence studies of the commercial and technical feasibility of developing LNG receiving terminal projects at several locations in Puerto Rico. At Buyer's request, Seller shall (i) commence and complete a study (each, a "Small-Scale LNG Delivery Study") of the feasibility of transporting and discharging LNG cargos of less than 125,000 m³ by water-borne vessel to an existing or planned LNG facility (each, a "Small-Scale LNG Facility") to determine the most cost-efficient proposal for delivering LNG to such location, and (ii) inform Buyer of its determination whether such facility qualifies as an additional delivery point for LNG under this Agreement (each, a "Small-Scale LNG Delivery Point"), based on such study, and, if Seller accepts such Small-Scale LNG Facility as a Small-Scale LNG Delivery Point, recommend a compatible LNG vessel (each, a "Small LNG Tanker") for the delivery of LNG to such location, in each case within ninety (90) days of its receipt of such request.
- 26.3 If any new onshore or conventional FSRU LNG facilities are commissioned in Puerto Rico (each, a "Conventional LNG Facility") that are capable of receiving an LNG Tanker, Buyer may request that Seller evaluate such Conventional LNG Facility for designation as an additional delivery point for LNG under this Agreement (each, a "Conventional LNG Delivery Point"). Upon the its receipt of such request, Seller shall (i) undertake an assessment



of the compatibility of such Conventional LNG Facility with an LNG Tanker in accordance with the compatibility standards set forth in Annex B, and (ii) inform Buyer of its determination whether such Conventional LNG Facility qualifies as a Conventional LNG Delivery Point, based on such assessment, in each case within sixty (60) days of Seller's receipt of such request.

- 26.4 In each instance where Seller confirms its acceptance of a Small-Scale Delivery Point or a Conventional LNG Delivery Point under Clause 26.2 and Clause 26.3, respectively (each, an "Additional LNG Delivery Point"), the Parties shall as soon as reasonably practicable, but in any event within ninety (90) Days of such confirmation, exercise their best efforts to negotiate in good faith, and agree upon, terms for the delivery of LNG to such Additional LNG Delivery Point (the "LNG Delivery Terms"), which shall consist of LNG industry standard provisions addressing: (i) Seller's obligation to transport LNG in LNG Tankers or Small LNG Tankers, (ii) Buyer's obligation to ensure that the Small-Scale LNG Facility or Conventional LNG Facility (each, an "Additional LNG Facility") (as applicable) satisfies certain specifications, (iii) Buyer's obligation to provide or cause to be provided to Seller (and allocation to Seller of such port costs) berthing, mooring, docking and tug escort services, including pilot services and those related to tug vessels, service vessels and firefighting required during an LNG ship's presence in port, (iv) scheduling of cargo deliveries, (v) modified provisions related to deficiency and shortfall payment, (vi) additional Force Majeure events regarding delivery of LNG, (vii) quality and measurement provisions, (vii) the minimum LNG volume per delivery, (viii) the maximum annual LNG volume, which shall not exceed the Maximum Annual Contract Quantity less 36 TBtu, and (ix) for delivery by a Small-Scale LNG Tanker, any other reasonable terms that Seller may identify, including a revision to the Contract Price.
- 26.5 Upon the signing of the LNG Delivery Terms (i) Seller shall commence the delivery of LNG to the Additional LNG Deliver Point in accordance with the LNG Delivery Terms, and (ii) the Parties shall revise the schedule for NG deliveries to each Delivery Point to take into account the deliveries to the Additional LNG Delivery Point in accordance with Clause 7.1.
- 26.6 For each delivery of LNG to an Additional LNG Delivery Point in accordance with the LNG Delivery Terms, Buyer shall pay to Seller the Contract Price for the LNG made available minus all savings as a result of delivering LNG to the Additional LNG Delivery Point instead of the LNG Facilities (including charges for tolling services at the LNG Facilities) plus any additional cost that Seller incurs to deliver LNG at the Additional LNG Delivery Point in lieu of delivering LNG at the LNG Facilities, including increased shipping and port charges.

27. GENERAL

- 27.1 If any inconsistency appears between the provisions contained in the body this Agreement and any Annex to this Agreement then the provisions of the body of this Agreement shall prevail.
- 27.2 If any one or more of the provisions, obligations, or terms herein or part thereof shall be determined by a court of competent jurisdiction to be wholly or partially invalid, void, illegal or unenforceable in any respect by operation of Applicable Law or otherwise, the validity, legality, or enforceability of the remaining provisions, obligations, or terms or part thereof in



any other jurisdiction shall not in any way whatsoever be affected or impaired thereby and all provisions of this Agreement shall, if alternative interpretations are applicable, be construed so as to preserve the validity and enforceability hereof to the extent that the essential purposes of this Agreement can be determined and effectuated.

- 27.3 The Parties do not intend any term of this Agreement to be enforceable by any Third Party. The Parties may rescind or vary this Agreement, in whole or in part, without the consent of any Third Party.
- 27.4 Nothing in this Agreement shall be deemed to create a partnership, joint venture or association establish a principal and agent relationship or any other relationship of a similar nature, including employment, between the Parties or create any joint and several liability. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, to act on behalf of, to act as or be an agent or representative of, or to otherwise bind, the other Party.
- 27.5 The Parties acknowledge that this Agreement may have been negotiated and prepared by the Parties with the advice of legal counsel to the extent deemed necessary by each Party. The Parties have agreed to the wording of this Agreement and none of the provisions of this Agreement shall be construed against one Party on the ground that such Party is the author of this Agreement or any part of this Agreement.
- 27.6 This Agreement may not be amended except by an instrument in writing signed by a duly authorized representative of each Party.
- 27.7 This Agreement amends and restates the Pre-Restatement GSPA in its entirety.

28. COMPLIANCE WITH THE COMMONWEALTH OF PUERTO RICO CONTRACTING REQUIREMENTS

The Parties will comply with all Applicable Law, regulations and executive orders that regulate the contracting process and requirements for governmental contracting in the Commonwealth of Puerto Rico.

- 28.1 Seller shall provide, before the Conditions Precedent Date, or as otherwise required below, the following documents and certifications:
 - (a) In compliance with Executive Order Number OE-1991-24 of June 18, 1991, Seller shall, before the Conditions Precedent Date and whenever requested by Buyer during the term of this Agreement, certify that it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last five (5) years. As evidence thereof, Seller shall deliver to Buyer an Income Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that Seller has filed its Income Tax Return for the last five (5) tax years (Form SC 6088).
 - (b) In compliance with Executive Order Number OE-1991-24 of June 18, 1991, Seller shall, before the Conditions Precedent Date and whenever requested by Buyer during



the term of this Agreement, certify that it has complied and is current with the payment of all income taxes that are, or were due, to the Government of Puerto Rico. As evidence thereof, Seller will deliver to Buyer a certification issued by the Treasury Department of Puerto Rico indicating that Seller (i) does not owe taxes to the Commonwealth of Puerto Rico or (ii) is paying such taxes by an installment plan in full compliance with the terms of such plan (Form SC 6096).

- (c) Pursuant to Executive Order Number 1992-52, dated August 28, 1992 amending OE-1991-24, Seller shall, before the Conditions Precedent Date and whenever requested by Buyer during the term of this Agreement, certify that it has made (x) all payments required for unemployment benefits, workmen's compensation and social security for chauffeurs, whichever is applicable, or (y) that in lieu thereof, has subscribed a payment plan in connection with any such unpaid items and is in full compliance with the terms of such plan. As evidence thereof, Seller shall deliver to Buyer:
 - (i) A certification issued by the Bureau of Employment Security (*Negociado de Seguridad de Empleo*) of the Puerto Rico Department of Labor and Human Resources certifying that Seller does not owe taxes regarding Unemployment or Disability Insurance.
 - (ii) A certification issued by the Program for Social Security for Chauffeurs and Other Employees of the Puerto Rico Department of Labor and Human Resources certifying that Seller has no debt with respect to such program.
- (d) Seller shall, before the Conditions Precedent Date and whenever requested by Buyer during the term of this Agreement, certify that it does not have any current debt regarding property taxes that may be registered with the Government of Puerto Rico's Municipal Tax Collection Center (*Centro de Recaudación de Ingresos Municipales*). Seller shall further certify it is current with the payment of any and all property taxes that are or were due to the Government of Puerto Rico. As evidence thereof, Seller shall deliver to Buyer:
 - (i) A certification issued by the Municipal Revenues Collection Center ("MRCC"), assuring that Seller does not owe any tax accruing during the last five (5) years to such governmental agency with respect to personal property, or (B) a negative debt certification issued by the MRCC with respect to personal property taxes and a sworn statement executed by Seller indicating that (1) during the last five (5) years (or the time in which it has been providing professional services) it has had no taxable business or personal property on the 1st of January of each year, (2) that for such reasons it has not been required to file personal property tax returns, as required under Article 6.03 of Act 83-1991, as amended and (3) that for such reason it does not have an electronic tax file in the MRCC's electronic system.
 - (ii) An All Concepts Debt Certification issued by the MRCC assuring that Seller does not owe any taxes to such governmental agency with respect to real and



personal property or (B) a negative certification issued by the MRCC with respect to real property taxes.

(e) Seller shall deliver to Buyer:

- (i) A certification issued by the Puerto Rico Treasury Department indicating that Seller has filed its Puerto Rico Sales and Use Tax for the last sixty (60) contributory periods and either (A) does not owe Puerto Rico Sales and Use Taxes to the Commonwealth of Puerto Rico or (B) is paying such taxes by an installment plan and is in full compliance with the terms of such plan.
- (ii) A copy of Seller's Certificate of Merchant's Registration issued by the Treasury Department of Puerto Rico.
- (f) Seller shall provide an Employer Compliance Certificate indicating that either (i) it is complying with all income withholding orders as established in all cases, or (ii) there are no active income withholding orders to comply with at present.
- As established by Act No. 1 of January 3, 2012, as amended, known as the Ethics Act of the Government of Puerto Rico, no employee or executive of Buyer nor any member of his or her immediate family (spouse, dependent children, or other members of his or her household or any individual whose financial affairs are under the control of the employee) shall have any direct or indirect pecuniary interest in the services to be rendered under this Agreement, except as may be expressly authorized by the Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government (3 L.P.R.A. § 8611 et seq.).
- 28.3 In the event any employee of Seller is bound to pay support for care of elderly people under the Law for the Strengthening of the Family Support and Livelihood of Elderly People in Spanish: "Ley para el Fortalecimiento del Apoyo Familiar y Sustento de Personas de Edad Avanzada", 3 L.P.R.A. §8611 et seq., Seller shall comply with any requirement or order issued by the corresponding administrative agency or local court.
- 28.4 Payment for Services under this Agreement will not be made until this Agreement is properly registered in the Office of the Comptroller of the Government of Puerto Rico pursuant to Law Number 18 of October 30, 1975, as amended.
- 28.5 No public officer or employee authorized to contract on behalf of the executive agency for which he/she works may execute a contract between the agency for which he/she works and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.
- 28.6 No public officer or employee may be a party to or have any interest in any profits or benefits produced by a contract with any other executive agency or government dependency unless the Governor of Puerto Rico gives express authorization thereto with previous recommendation from the Secretary of the Treasury and the Secretary of Justice.



- 28.7 No public officer or employee may be a party to or have any interest in any profits or benefits produced by a contract with any other executive agency or government dependency unless the Governor of Puerto Rico gives express authorization thereto with previous recommendation from the Secretary of the Treasury and the Secretary of Justice.
- 28.8 No public officer or employee who has the power to approve or authorize contracts shall evaluate, consider, approve or authorize any contract between an executive agency and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.
- 28.9 No executive agency shall execute contracts with or for the benefit of persons who have been public officers or employees of said executive agency until after two (2) years have elapsed from the time said person has ceased working as such.
- 28.10 Any and all necessary dispensations required by this Agreement have been obtained from any government entity and that said dispensations shall become part of the contracting record.
- 28.11 Seller acknowledges and accepts that it is knowledgeable of the rules of ethics of his or her profession and assumes responsibility for his or her own actions.

29. ANTI-CORRUPTION CODE FOR A NEW PUERTO RICO

- 29.1 Seller agrees to comply with the provisions of Act No. 2-2018, as the same may be amended, and as applicable, from time to time, which establishes the Anti-Corruption Code for a New Puerto Rico.
- 29.2 Seller shall furnish a sworn statement to the effect that neither Seller nor any president, vice president, executive director or any member of a board of officials or board of directors, or any person performing equivalent functions for any contractor has been convicted of or has pled guilty to any of the crimes listed 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 or any of the crimes included in Act 2-2018.
- 29.3 Seller hereby certifies that it has 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, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves 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.
- 29.4 Buyer shall have the right to terminate the Agreement in the event Seller is 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, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves 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.

30. CONSEQUENCES OF NON-COMPLIANCE

- 30.1 The Seller expressly agrees that the conditions outlined throughout Clauses 28 and 29 are essential requirements of this Agreement. If any of the certifications listed in Clause 28.1 shows a debt, and Seller has requested a review or adjustment of this debt, Seller hereby certifies that it has made such request at the time of the Agreement execution. If the requested review or adjustment is denied and such determination is final, Seller will provide, immediately, to Buyer a proof of payment of this debt. The Seller accepts and acknowledges its responsibility for, when requested by Buyer, requiring and obtaining a similar warranty and certification from each and every contractor and subcontractor whose service the Seller has secured in connection with the provision of Natural Gas under this Agreement and shall forward evidence to Buyer as to its compliance with this requirement.
- 30.2 Should any one of these representations, warranties or certifications be incorrect, inaccurate or misleading, in whole or in part, and should such non-compliance not be cured within sixty (60) days, there shall be sufficient cause for Buyer to terminate this Agreement. In case that the Seller is not able to obtain the required documentation during the term provided here for causes not in Seller's control, then Buyer agrees to extend the term for Seller to comply. Seller understands and agrees that Buyer is prohibited to process any payment under this Agreement until the enumerated certifications and sworn statements are submitted to Buyer.

31. NON-DISCRIMINATION

Seller agrees that it will not discriminate against any employee or applicant for employment on account of race, color, gender, age, sex, national or social origin, social status, political ideas or affiliation, religion, for being or perceived to be a victim of domestic violence, sexual aggression or harassment, regardless of marital status, sexual orientation, gender identity or immigrant status, for physical or mental disability, for veteran status or genetic information.

32. ENTIRE AGREEMENT & COUNTERPARTS

- 32.1 The terms and conditions contained herein constitute the entire agreement between Buyer and Seller with respect to the subject matter of this Agreement, and supersede all communications, negotiations, and agreements of the Parties, whether written or oral, other than these, made prior to the signing of this Agreement.
- 32.2 The Parties may execute this Agreement in counterparts, which shall have the same effect as if the Parties both signed the same signature page of this Agreement.

[Signature Page Follows]

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IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be executed by their respective duly authorized representatives as of the day and year first above written.

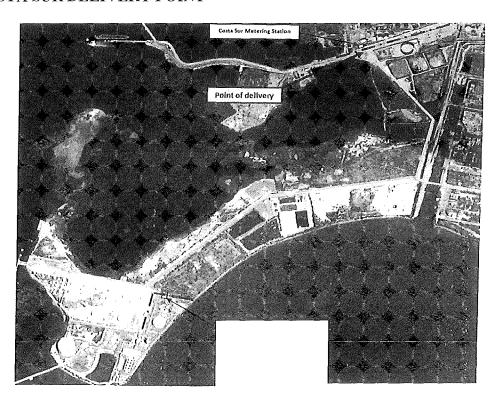
For and on behalf of

SELLER:
NATURGY APROVISIONAMIENTOS S.A.
By: _ Ken de Adrien
Name: LEYRE DE ADMAN
Title: AUTHORIZED REPRESENTATIVE
For and on behalf of
BUYER:
PUERTO RICO ELECTRIC POWER AUTHORITY
By: April 2, 2020
Name: José F. Ortiz Vázquez
Title: Chief Executive Officer

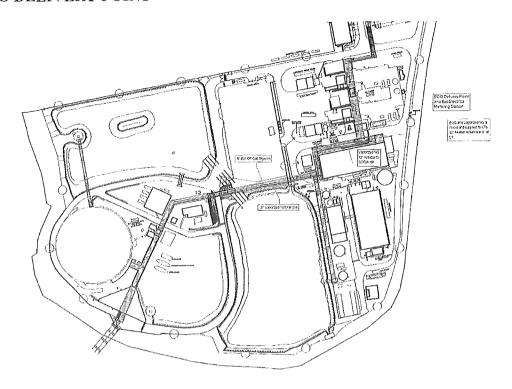
ANNEX A

DELIVERY POINTS

1. COSTA SUR DELIVERY POINT



2. ECO DELIVERY POINT



ANNEX B

LNG TERMINAL COMPATIBILITY STANDARDS

- 1. If, pursuant to Clause 26, Buyer elects to propose Additional LNG Facilities as an Additional LNG Delivery Point, Seller may, on reasonable notice to Buyer and at its sole risk, send one or more representatives (including an independent internationally recognized maritime consultant) to inspect, during normal working hours, the Additional LNG Facilities and associated port proposed for the discharge of LNG under this Agreement to ascertain whether such facilities comply with the provisions of this Agreement. Seller shall bear the costs and expenses in connection with any such inspection.
- 2. Any inspection carried out pursuant to this Annex B shall not:
 - a. interfere with, or hinder, the safe and efficient construction and operation of any Additional LNG Facility; or
 - b. entitle the Seller or any of its representatives to make any request or recommendation directly to the construction contractor or operator or owner of the Additional LNG Facility except through Buyer in accordance with a notice under this Agreement.
- 3. Seller, acting reasonably, shall have the right to reject a proposed Additional LNG Facility as an Additional LNG Delivery Point, or any part thereof, only if it does not comply with the material requirements of this Annex B.
- 4. For the purpose of this Annex B, "International LNG Terminal Standards" means (to the extent not inconsistent with the express requirements of this Annex B) the international standards and practices applicable to the design, construction, equipment, operation or maintenance of LNG receiving and regasification terminals or LNG liquefaction terminals, as the case may be, established by the following (such standards to apply in the following order of priority): (i) a Governmental Authority having jurisdiction over any Additional LNG Facilities; (ii) the Society of International Gas Tanker and Terminal Operators (to the extent applicable); and (iii) any other internationally recognized non-governmental agency or organization with whose standards and practices it is customary for reasonable and prudent operators of LNG receiving terminals to comply; provided, however, that in the event of a conflict between any of the priorities noted above, the priority with the lowest roman numeral noted above shall prevail.
- 5. For the purpose of the compatibility process, in order for proposed Additional LNG Facilities to become an Additional LNG Delivery Point, such Additional LNG Facilities must comply with and include the following:
 - a. unloading facilities capable of receiving LNG Tankers and unloading (i) Large LNG Tankers at a rate of 5,000 m³ per hour;

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- b. a vapour return line system of sufficient capacity to transfer to the LNG Tanker quantities of NG necessary for the safe unloading of LNG at such rate, pressures and temperatures as may be required by the LNG Tanker design;
- c. facilities allowing access to the LNG Tanker from onshore adequate for crew and personnel access, the handling and delivery of ship's stores, provisions and spare parts to the LNG Tanker;
- d. LNG storage tanks of adequate capacity to receive and store a full cargo LNG upon each scheduled arrival of an LNG Tanker; and
- e. appropriate systems for email, facsimile, telephone and radio communications with LNG Tankers; and emergency shut down, in accordance with International LNG Terminal Standards for linked ship/shore emergency shut down.
- 6. Regarding the unloading of an LNG cargo, the proposed Additional LNG Facilities shall comply with:
 - a. during the unloading and discharge of LNG, Buyer shall return NG to the LNG Tanker, in such quantities as are necessary for the safe unloading of LNG at such rates, pressures and temperatures as may be required by the LNG Tanker design and commonly accepted operating practice for LNG Tankers;
 - b. the LNG sold and delivered under this Agreement shall be unloaded through manifold strainers of 60 mesh (or such other mesh as shall be agreed from time to time by the Parties); and
 - c. tugs, fireboats, pilots and other services as are necessary for the purposes of safety and efficiency and are required by the authorities at the relevant port.
- 7. For the purpose of the compatibility process, each LNG Tanker must satisfy the following requirements:
 - a. each LNG Tanker shall have a gross volumetric capacity between 125,00 Cubic Meters and 180,00 Cubic Meters;
 - b. each LNG Tanker shall be, in accordance with International LNG Tanker Standards:
 (i) fit in every way for the safe loading, unloading, handling and carrying of LNG in bulk at atmospheric pressure; and (ii) tight, staunch, strong and otherwise seaworthy with cargo handling and storage systems (including instrumentation) necessary for the safe loading, unloading, handling, carrying and measuring of LNG in good order and condition; and
 - c. each LNG Tanker shall at all times be maintained in class with any of the following: American Bureau of Shipping, Lloyd's Register, Bureau Veritas, Det Norske Veritas or any other classification society that is mutually agreeable to the Parties.



8. For the purpose of this Annex B, "International LNG Tanker Standards" shall be (to the extent not inconsistent with the express requirements of this Annex B) the international standards and practices applicable to the ownership, design, equipment, operation or maintenance of LNG vessels established by: (i) the International Maritime Organization; (ii) the Oil Companies International Marine Forum (OCIMF); (iii) the Society of International Gas Tanker and Terminal Operators (SIGTTO) (or any successor body of the same); (iv) the International Navigation Association (PIANC); (v) the International Association of Classification Societies; and (vi) any other internationally recognized agency or non-governmental organization with whose standards and practices it is customary for reasonable and prudent operators of LNG vessels to comply, provided, however, that in the event of a conflict between any of the priorities noted above, the priority with the lowest roman numeral noted above shall prevail.

ANNEX C

FORM OF ASSIGNEE GUARANTEE

THIS GUARANTY AGREEMENT, is made and entered into as of [+], by [+] a company organized and existing under the laws of [..] whose registered office is at [+] ("**Guarantor**"), in favor of [+], a limited liability company organized and existing under the laws of [...] whose principal place of business is located at [+] ("**Beneficiary**").

WITNESSETH:

WHEREAS, Beneficiary has entered into the SPA (as defined below) with Puerto Rico Electric Power Authority, a public corporation and governmental instrumentality of the Commonwealth of Puerto Rico, created by an Act of 2 May 1941, No. 83, as amended (together with any successor or permitted assign under the SPA ("Buyer"); and

WHEREAS, Buyer has consummated a Transfer (as defined in the SPA) of its rights, title and interest in the SPA to [...] ("Transferee"); and

WHEREAS, the SPA provides that in the event of a Transfer and under certain conditions, Transferee's obligations thereunder be guaranteed by the Guarantor in accordance with and subject to the provisions of this Guaranty Agreement and the Guarantor has agreed (it being in its best commercial interests to do so) to enter into this Guaranty Agreement in respect of the Guaranteed Obligations.

NOW, THEREFORE, in consideration of the premises and mutual agreements contained herein, Guarantor and Beneficiary hereby agree as follows:

ARTICLE 1. DEFINITIONS

- 1.1. <u>Definitions</u>. Except as otherwise expressly provided or unless the context otherwise requires, the terms defined in this Section 1.1 shall, for all purposes of this Guaranty Agreement, have the meanings herein specified, the following definitions to be equally applicable to both the singular and plural forms of any of the terms herein defined:
 - "Banking Day" means any day other than a Saturday, a Sunday or any other day on which commercial banks in New York are authorized or required to be closed.
 - "Buyer" has the meaning set out in the recitals of this Guaranty Agreement.
 - "Guaranteed Obligations" has the meaning set forth in Section 3.1 of this Guaranty Agreement.
 - "Guarantor" has the meaning set out in the preamble of this Guaranty Agreement.

"Guaranty Agreement" means this Guaranty Agreement dated as of the date first written above, as may from time to time be supplemented, modified or amended as provided herein.

"Local Banking Day" has the meaning set forth in Section 4.2(a) of this Guaranty Agreement.

"SPA" means that certain Natural Gas Sale and Purchase Agreement dated [+], between Buyer and Beneficiary, as such SPA may from time to time be supplemented, modified or amended as provided therein.

"Transferee" has the meaning set out in the recitals of this Guaranty Agreement.

1.2. <u>Other Defined Terms</u>. Capitalized terms not otherwise defined in this Guaranty Agreement shall have the meanings ascribed thereto in the SPA.

ARTICLE 2. REPRESENTATIONS OF GUARANTOR

- 2.1. <u>Representations of Guarantor</u>. Guarantor makes the following representations to Beneficiary as of the date hereof:
 - (a) Guarantor has been duly organized and is validly existing under the laws of [...], has full legal right, power and authority to enter into this Guaranty Agreement and to carry out and consummate all transactions contemplated by this Guaranty Agreement, and by proper corporate action has duly authorized the execution and delivery of this Guaranty Agreement;
 - (b) the execution and delivery of this Guaranty Agreement and the consummation of the transactions herein contemplated will not conflict with or constitute on the part of Guarantor a breach of or default under its relevant organizational documents, as existing on the date hereof, or any indenture, or other material agreement or instrument to which Guarantor is a party or by which it or its properties are bound or any order, rule or regulation of any court or governmental agency or body having jurisdiction over Guarantor or any of its activities or properties; and
 - (c) this Guaranty Agreement has been duly authorized, executed and delivered by Guarantor and constitutes the valid and binding obligation of Guarantor, except to the extent enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights generally and by general equitable principles.

ARTICLE 3. GUARANTY AND AGREEMENTS

3.1. <u>Guaranty</u>. Subject to the terms and conditions hereof, Guarantor unconditionally and irrevocably guarantees to Beneficiary the full and prompt payment by Transferee of all of Transferee's payment obligations when due and payable under the SPA to Beneficiary and its successors and permitted assigns, including payment obligations when due and payable in respect of any breach of the SPA by Transferee (the obligations guaranteed under this Guaranty Agreement are hereinafter referred to as the "Guaranteed Obligations");



provided, however, notwithstanding anything herein to the contrary, Guarantor shall be entitled to all defenses, counterclaims and rights of set off and recoupment that Transferee may have under the SPA other than any such defenses arising out of the bankruptcy, insolvency or similar proceeding concerning Transferee.

- 3.2. <u>Unconditional Nature of Obligations</u>. Except as expressly provided in the proviso of Section 3.1, the obligations of Guarantor under this Guaranty Agreement shall be irrevocable and unconditional and shall remain in full force and effect until the date this Guaranty Agreement terminates in accordance with Section 4.6 hereof, 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, whether or not with notice to, or the consent of, Guarantor:
 - (a) the waiver, surrender, compromise, settlement, release or termination of any or all of the obligations, covenants or agreements of Transferee under the SPA;
 - (b) the failure to give notice to Guarantor of the occurrence of a default under the SPA, except for the written demand required by the proviso at the end of Section 3.3 hereof;
 - (c) the waiver, compromise or release of the payment, performance or observance by Transferee or by Guarantor, respectively, of any or all of the obligations, covenants or agreements of either of them contained in the SPA or this Guaranty Agreement, as the case may be;
 - (d) the extension of the time for payment of any Guaranteed Obligations under the SPA or of the time for performance of any other obligations, covenants or agreements under or arising out of the SPA;
 - (e) the modification, amendment or alteration (whether material or otherwise) of any obligation, covenant or agreement set forth in the SPA;
 - (f) the taking or the omission of any of the actions referred to in the SPA;
 - (g) any failure, omission, delay or lack on the part of Beneficiary to enforce, assert or exercise any right, power or remedy conferred on it in the SPA;
 - (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 Guarantor or Transferee or any of the respective assets of either of them, or any allegation or contest of the validity of this Guaranty Agreement in any such proceeding;
 - (i) any defense based upon any legal disability of Transferee or, to the extent permitted by law, any release, discharge, reduction or limitation of or with respect to any sums

owing by Transferee or any other liability of Transferee to Beneficiary;

- (j) to the extent permitted by law, the release or discharge by operation of law of Guarantor from the performance or observance of any obligation, covenant or agreement contained in this Guaranty Agreement;
- (k) the default or failure of Guarantor fully to perform any of its obligations set forth in this Guaranty Agreement; or
- (l) the invalidity of the SPA or any part thereof.

If any payment by Transferee to Beneficiary is rescinded or must be returned by Beneficiary, the obligations of Guarantor hereunder shall be reinstated with respect to such payment.

Except as expressly set forth in the proviso of Section 3.1, no set-off, counterclaim, reduction, or diminution of any obligation, or any defense of any kind or nature (other than a defense of payment or performance) which Transferee has or may have against Beneficiary shall be available hereunder to Guarantor to reduce the payments to Beneficiary under Section 3.1 of this Guaranty Agreement. Furthermore, no defense previously raised by Transferee arising out of or in connection with a Guaranteed Obligation claimed hereunder and which has been settled in Beneficiary's favor by the dispute resolution procedures of Section 20 of the SPA may be raised by Guarantor and no cure period previously used by Transferee may be used by Guarantor.

Guarantor assumes responsibility for being and remaining informed of the financial condition of Transferee and of all other circumstances bearing upon the risk of nonpayment of the Guaranteed Obligations which diligent inquiry would reveal and agrees that Beneficiary shall not have a duty to advise Guarantor of information known to it regarding such condition or any such circumstances.

- 3.3. Proceedings Against Guarantor. In the event of a default in the payment of the Guaranteed Obligations when and as the same shall become due and payable, Beneficiary shall have the right to proceed first and directly against Guarantor under this Guaranty Agreement without proceeding against Transferee or exhausting any other remedies which it may have; provided that, notwithstanding the foregoing or anything to the contrary contained herein, Beneficiary shall deliver to Guarantor a written demand for payment of all amounts claimed by Beneficiary hereunder, which written demand shall specify in reasonable detail the basis for such demand, and Guarantor shall pay such amounts promptly, but no later than three (3) Banking Days after its receipt of such written demand.
- 3.4. <u>Subrogation</u>. Upon payment of the Guaranteed Obligations, Guarantor shall be subrogated to the rights of Beneficiary against Transferee with respect to such Guaranteed Obligations, and Beneficiary agrees to take at Guarantor's expense such steps as Guarantor may reasonably request to implement such subrogation, provided that Beneficiary shall not be obligated to take any such steps and 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 Guaranty Agreement, including, but not limited to, any contractual, statutory or common law rights of reimbursement, contribution or indemnity, whether against the Transferee or any other Person, until the date this Guaranty Agreement terminates in accordance with Section 4.6 hereof.

- 3.5. <u>Costs.</u> Guarantor agrees to pay all reasonable costs, expenses and fees, including without limitation all reasonable documented out-of-pocket attorneys' fees, which may be incurred by Beneficiary in enforcing or attempting to enforce this Guaranty Agreement following any default on the part of Guarantor hereunder, whether the same shall be enforced by suit or otherwise.
- 3.6. Existence of Guarantor; Consolidation, Merger, Sale or Transfer. Guarantor covenants that so long as it has any outstanding obligations under this Guaranty Agreement, it will maintain its existence, will 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; provided that Guarantor may, without violating the covenants contained in this Section 3.6, consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it, or sell or otherwise transfer to another corporation all or substantially all of its assets as an entirety and thereafter dissolve, if the surviving, resulting or transferee entity, as the case may be, (a) shall be incorporated, organized or formed and existing under the laws of [.....], (b) assumes, if such corporation or other entity is not Guarantor, all of the obligations of Guarantor hereunder (unless such assumption occurs by operation of law, in which case no express assumption shall be required) and (c) is not, after such transaction, otherwise in default under any provisions hereof.

ARTICLE 4. MISCELLANEOUS

- 4.1. Governing Law and Dispute Resolution. This Guaranty Agreement shall be governed by and construed in accordance with the laws of the State of New York, including Section 5-1401 and Section 5-1402 of the General Obligations Law of the State of New York (but otherwise without reference to any other choice of law principles which would apply the laws of another jurisdiction). Each of the parties hereto 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 Guaranty Agreement or the transactions contemplated hereby.
- 4.2. <u>Notices</u>. All notices and other communications to Guarantor or Beneficiary may be electronically communicated or hand delivered or sent by overnight courier, to any party hereto at the addresses as provided in this Section 4.2:

All communications intended for Guarantor shall be sent to:

[+]

with a copy to Buyer at:

[+]

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All communications intended for Beneficiary shall be sent to:

[+]

or at any other address of which either of the foregoing (or Guarantor in the case of a change of address for Transferee) shall have notified the other in any manner prescribed in this Section 4.2.

For all purposes of this Guaranty Agreement, a notice or communication will be deemed effective:

- (a) if delivered by hand or sent by overnight courier, on the day it is delivered unless (i) that day is not a day upon which commercial banks are open for the transaction of business in the city specified (a "Local Banking Day") in the address for notice provided by the recipient or (ii) if delivered after the close of business on a Local Banking Day, then on the next succeeding Local Banking Day, and
- (b) if sent by facsimile transmission, on the date transmitted, provided that oral or written confirmation of receipt is obtained by the sender unless the date of transmission and confirmation is not a Local Banking Day, in which case on the next succeeding Local Banking Day.
- 4.3. <u>Banking Days</u>. Except as otherwise provided in this Guaranty Agreement, 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.
- 4.4. <u>Successors and Assigns</u>. This Guaranty Agreement shall be binding upon Guarantor and its successors and permitted assigns and inure to the benefit of Beneficiary and its successors and permitted assigns. Except as provided in Section 3.6 hereof, Guarantor may not assign its obligations hereunder without the prior written consent of Beneficiary. Beneficiary may not assign its rights and obligations hereunder without the prior written consent of Guarantor, except that Beneficiary may, without any prior consent of Guarantor, assign its right and obligations hereunder to any permitted assignee of the SPA.
- 4.5. <u>Guaranty for Benefit of Beneficiary</u>. This Guaranty Agreement is entered into by Guarantor for the benefit of Beneficiary. Nothing contained herein shall be deemed to create any right in, or to be in whole or in part for the benefit of any person other than Guarantor and Beneficiary and their respective permitted successors and assigns.
- 4.6. Term. This Guaranty Agreement shall terminate and be of no further force and effect upon the earliest of (i) [________, 20_____,] (ii) receipt by Beneficiary of a written notice of termination from Guarantor, which termination shall become effective on the thirtieth (30th) day after the date of receipt by Beneficiary of such notice or (iii) the date on which the SPA shall have terminated or expired and none of the payment obligations of Transferee thereunder remain outstanding. Termination of this Guaranty shall not affect Guarantor's



liability hereunder as to any Guaranteed Obligations existing or arising under the SPA prior to the effective date of termination.

- 4.7. <u>Amendments and Waivers</u>. Any provision of this Guaranty Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed by each of Guarantor and Beneficiary.
- 4.8. <u>Headings</u>. The article and section headings of this Guaranty Agreement are for convenience only and shall not affect the construction hereof.
- 4.9. <u>Partial Invalidity</u>. The invalidity of any one or more phrases, sentences, clauses or sections in this Guaranty Agreement shall not affect the validity or enforceability of the remaining portions of this Guaranty Agreement or any part thereof.
- 4.10. <u>No Waiver, Remedies</u>. No failure or delay by 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 law.
- 4.11. <u>Execution in Several Counterparts</u>. This Guaranty Agreement 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, GUARANTOR has caused this Guaranty Agreement to be executed in its name and on its behalf by its duly authorized officer as of the date first above written.

GUARANTOR		
	_]	
Ву:		
Name:		
Title:		

Accepted and A	greed by:
BENEFICIARY	-
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Γitle:	





Cuantía: \$1,500,000,000.00

2019-P00079

Execution Version

(1) NFENERGÍA LLC

AS SELLER

AND

(2) PUERTO RICO ELECTRIC POWER AUTHORITY AS BUYER

FUEL SALE AND PURCHASE AGREEMENT

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THIS AGREEMENT is made this 5th Day of March, 2019 (the "Effective Date").

BETWEEN:

- (1) **NFENERGÍA** LLC, a Puerto Rico limited liability company (hereinafter called the "Seller"), and
- (2) **PUERTO RICO ELECTRIC POWER AUTHORITY** (PREPA), a public corporation and governmental instrumentality of the Commonwealth of Puerto Rico, created by an Act of 2 May 1941, No. 83, as amended, with its principal place of business at P.O. Box 363928, San Juan, Puerto Rico 00936-3928 (hereinafter called the "**Buyer**").

Seller and Buyer shall each be a "Party" and, together, the "Parties."

WITNESSETH

WHEREAS:

- (A) Buyer would benefit from and desires to (i) make power generation units 5 and 6 (collectively, the "SJ 5&6 Units," and "SJ 5" and "SJ 6," respectively) of the San Juan Combined Cycle Power Plant (the "San Juan Power Plant") capable of using natural gas as their primary fuel, generating significant potential fuel savings versus diesel, and (ii) procure natural gas for the SJ 5&6 Units;
- (B) Buyer, by virtue of its enabling act (Act 83), has the authority to engage those professional, technical and consulting services necessary and convenient to the activities, programmes, and operations of Buyer;
- (C) Pursuant to Section 205 (2)(f) of Act No. 83 and to encourage greater competition, reduce the risk of collusion and promote the best possible terms and conditions in benefit of greater savings and reduction of costs and expenses of Buyer, Buyer carried out a competitive request for proposal (RFP) process for the (i) design, engineering, construction, supply, installation, commissioning and testing works required to make the SJ 5&6 Units capable of utilizing natural gas for power generation and (ii) supply of Natural Gas to such units, in each case as described herein;
- (D) Seller desires to provide natural gas to multiple on-island industrial users and is in the process of building a landed micro-fuel handling facility with multiple truck loading bays and other associated infrastructure, located in San Juan, Puerto Rico, adjacent to the SJ 5&6 Units, which affords Seller the opportunity to undertake the conversion of the SJ 5&6 Units and make Natural Gas available to Buyer, without requiring Buyer to make costly, new investments in additional fuel handling infrastructure;
- (E) Buyer may nominate up to 25 TBtu each year of the contract term taking into account the market price of diesel;

- (F) The Parties are committed to work together under the terms of this Agreement to ensure that the supply and utilization of natural gas for the SJ 5&6 Units shall start no later than the last quarter of natural year 2019;
- (G) The transactions contemplated under this Agreement are reasonable and necessary expenses related to the maintenance, repair and operation of the SJ 5&6 Units, and are consistent with standard practices for public utility systems and with Buyer's standard business operations of maintaining and operating its system; and
- (H) Buyer's expected cost and time savings from switching from diesel to Natural Gas to fuel SJ 5&6 Units in accordance with this Agreement will further its strategy of lowering electricity costs, and accelerating grid modernization; the displacement of diesel with Natural Gas will significantly reduce air emissions from the SJ 5&6 Units including for pollutants like SO₂.

NOW, THEREFORE, SELLER AND BUYER HEREBY AGREE as follows:

ARTICLE I DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, except where the context otherwise requires, each of the following expressions have the following meaning:

"Affiliate" means, in relation to a Party, any company, corporation, partnership or other legal entity (in this definition referred to as a "Person") that (a) is directly or indirectly Controlled by such Party; (b) directly or indirectly Controls such Party; or (c) is directly or indirectly Controlled by a Person that also, directly or indirectly, Controls such Party; provided, however, that unless and until Buyer undergoes a Change of Control permitted by this Agreement, Buyer's only Affiliates are (x) the Puerto Rico Fiscal Agency and Financial Advisory Authority and (y) the Commonwealth of Puerto Rico.

"Agreement" means this Agreement and its Annexes and Exhibits, as may be amended, modified, varied or supplemented from time to time.

"Annual Contract Quantity" or "ACQ" shall have the meaning given to it in Clause 7.4(a)(i).

"Annual Delivery Programme" or "ADP" shall have the meaning given to it in Clause 7.4(a).

"Anticipated Commencement Notice" shall have the meaning given to it in Clause 7.4(a)(i)(B).

"Applicable Law" means, in relation to any legal person, property, transaction or event, all applicable provisions of laws, treaties, conventions, statutes, rules, regulations, permits, official directives and orders of, and the terms of all judgments, orders, awards, and decrees issued by, any Governmental Authority by which such legal Person is bound or having application to the property,

transaction or event in question, including the Electric Power Authority Revitalization Act and PROMESA.

"Back-up Fuel Cover Amount" shall have the meaning set forth in Clause 9.1(b).

"Back-Up Fuel Quantity" shall have the meaning set forth in Clause 9.1(a).

"Back-Up Fuel Quantity Index Price" means the lower of (a) the average of ULSD fuel from New York/Boston and US Gulf Coast as published in Platt's Oilgram Report, plus \$6.70 and (b) the price actually paid in respect of the Back-Up Fuel Quantity procured by Buyer pursuant to Clause 9.1(a)(ii).

"Base Cost" shall have the meaning set forth in Exhibit C.

"Binding Monthly Schedule" shall have the meaning given to it in Clause 7.4(a)(iv).

"BOP Contractor" means any contractor of Seller, other than MHPSA, engaged to perform any activities within the fence-line of the San Juan Power Plant.

"Btu" means a British thermal unit, being that amount of heat that is equal to 1,055.056 Joules or 0.000293071 kWh.

"Business Day" means a Day, other than a Saturday, Sunday or a public holiday in San Juan (Puerto Rico) or New York (United States).

"Buyer" shall have the meaning given to it in the preamble to this Agreement.

"Buyer Check Meter" shall have the meaning given to it in Clause 10.2(b).

"Buyer Firm Supply Conditions" shall have the meaning given to it in Clause 3.2(f).

"Buyer Group" means Buyer, its Affiliates, and its and their respective directors, officers, personnel, contractors and subcontractors, and any heirs, successors, and assigns of any of the above.

"Buyer Metering Station" shall have the meaning given in Clause 10.1(b).

"Buyer Permit Condition" shall have the meaning given in Clause 3.2(a).

"Buyer Property" means the San Juan Power Plant, the improvements to the SJ 5&6 Units created by the Works, and the Interconnection Facility, in each case as modified from time to time, including as depicted in <u>Annex C</u>.

"Carryover Credit" shall have the meaning given in Clause 7.5(d).

"Challenge Action" means (a) any action, contested matter or proceeding commenced by (i) a Significant Party before the Title III Court or (ii) any other party-in-interest before the Title III Court, or (b) any order entered by the Title III Court or other Governmental Authority, which,

in the case of either (a) or (b), seeks to or has the effect to avoid, enjoin, rescind, set aside, stay, subordinate, or otherwise alter or impair, this Agreement or any of the transactions contemplated hereby in any way, including the payment or timing of payment of, any amounts paid or payable to Seller hereunder.

"Change of Control" means (a) in the case of Buyer, a transaction or series of related transactions (including transfers and issuances of, or the enforcement of any lien or encumbrance on, equity interests) pursuant to which, if consummated, a Puerto Rican Governmental Authority would no longer Control Buyer, and (b) in case of Seller, a transaction or series of related transactions (including transfers and issuances of, or the enforcement of any lien or encumbrance on, equity interests) pursuant to which, if consummated, Atlantic Energy Holdings LLC would cease to Control Seller.

"Change of Law" means the amendment, repeal or change of an existing Applicable Law, or a new Applicable Law, in either case that takes effect after the Effective Date.

"Claims" means all claims, demands, notices of violation or noncompliance, governmental requests for information, legal proceedings, liens, encumbrances, causes of action and other actions, of any kind or nature (including actions in rem or in personam and actions of Governmental Authorities). "Claim" means any of the foregoing.

"Commissioning Start Date" has the meaning given to it in Clause 5.4.

"Confidential Information" shall have the meaning given to it in Clause 26.1.

"Construction Committee" shall have the meaning give to it in Clause 8.4.

"Contract Quarter" means each calendar quarter (beginning each of January, April, July and October) during the Contract Year, provided that the first Contract Quarter shall begin as of the first Day of the Firm Supply Period and end on the last Day of such calendar quarter and the last Contract Quarter shall end on the last Day of the Firm Supply Period.

"Contract Term" shall have the meaning given to it in Clause 3.1(a).

"Contract Year" means any calendar year during the Firm Supply Period, except for the first Contract Year, which shall commence on the first Day of the Firm Supply Period, and the last Contract Year, which shall end on the last Day of the Firm Supply Period.

"Contracting Officer" means the Chief Executive Officer of Buyer, acting directly or through his properly authorized representatives as notified in writing to Seller.

"Contractor" refers to MHPSA and any BOP Contractor.

"Control" means the beneficial ownership, either directly or indirectly, of fifty percent (50%) or more of the voting rights in a Person, or (whether alone or acting in concert with others, and whether by the ownership of share capital, the possession of voting power, contract or otherwise) the right to appoint fifty percent (50%) or more of the board of directors or equivalent management body of such Person. "Controlled" shall have the correlative meaning.

"Corporate Tax" means any and all Taxes based on income, revenues, profits, or net worth and all state and local franchise, license, occupation and similar Taxes required for the maintenance of corporate existence or to maintain good standing that are assessed against a Party.

"Daily Contract Quantity" or "DCQ" shall have the meaning given to it in Clause 6.5.

"Day" means a period of twenty-four (24) consecutive hours beginning at 00:00 hours local time in Puerto Rico.

"**Defaulting Party**" shall have the meaning given to it in <u>Clause 19.1(b)</u>.

"Delay LDs" shall have the meaning given to it in Clause 5.5.

"Delivery Confirmation Request" shall have the meaning given to it in Clause 4.2(c).

"Delivery Point" means the point of interconnection between Seller's MFH Facility and Buyer's Interconnection Facility, as identified on the schematic attached as Annex B (unless otherwise agreed in writing by the Parties).

"Disclosing Party" shall have the meaning given to it in Clause 26.1.

"Discounted Surcharge Amount" shall have the meaning given to it in Clause 12.3.

"Dispatch" shall have the meaning given to it in Clause 7.4(a)(i)(A).

"**Dispute**" shall have the meaning given to it in Clause 24.1(a).

"Effective Date" shall have the meaning given to it in the preamble to this Agreement.

"Environmental Compliance Officer" means an employee of Buyer in the role of manager of environmental compliance who is designated to be in charge of project inspections and environmental regulations compliance.

"environmental violation" means any violation of Applicable Law by a Contractor or its subcontractors in connection with the handling of any Hazardous Materials brought to or generated on the Site by a Contractor or its subcontractors in connection with the performance or nonperformance of its obligations under this Agreement or its agreement with Seller.

"Excess Nomination" shall have the meaning given to it in Clause 7.5.

"Excluded Losses" shall have the meaning given to it in Clause 11.5.

"Expert" means a Person of appropriate industry expertise and experience to whom a Dispute, disagreement or another matter of interpretation is or is to be referred to pursuant to Clause 24.2.

"Extension Notice" shall have the meaning given to it in Clause 3.1(b).

"Extension Term" shall have the meaning given to it in Clause 3.1(b).

"Final Completion" shall have the meaning given to it in <u>Clause 10.2</u> of <u>Annex A</u>.

"Financing Entities" means any and all lenders, security, note or bond holders, lien holders, investors, equity providers and other Persons providing any construction, interim or long-term equity or debt financing, refinancing, or recapitalization to Buyer, its Affiliate, and its or their heirs, successors and assigns, and any trustees or agents acting on their behalf.

"Firm Supply Conditions" shall have the meaning given to it in <u>Clause 3.2</u>.

"Firm Supply Conditions Date" shall have the meaning given to it in Clause 3.4.

"Firm Supply Period" shall have the meaning given to it in Clause 5.3.

"Firm Supply Solvency Conditions" means the Firm Supply Conditions set forth in Clause 3.2(f).

"Fiscal Budget" means the then-applicable annual fiscal budget approved and certified by the Oversight Board for PREPA in accordance with PROMESA.

"Force Majeure" shall have the meaning given to it in Clause 15.1.

"Forced Shutdown" means a shutdown condition of either of the SJ 5&6 Units, which makes one or both of them unavailable to produce power due to an unexpected or imminent breakdown, including as caused by equipment failures, disruption of the fuel supply and operator error.

"Fuel Price" shall have the meaning given to it in Exhibit C.

"Full Surcharge Amount" shall have the meaning given to it in Clause 12.3.

"Governmental Authority" means the government of the United States of America, any state thereof, the Commonwealth of Puerto Rico, or any local jurisdiction, or any political subdivision of any of the foregoing including, but not limited to courts, administrative bodies, departments, commissions, boards, bureaus, agencies, municipalities or other instrumentalities.

"Guaranteed First Gas Date" means June 1st, 2019, as may be extended in accordance with this Agreement.

"Guaranteed First Gas Long-Stop Date" means December 31st, 2019, as may be extended in accordance with this Agreement.

"Guaranteed Item" shall have the meaning given to it in Exhibit F.

"Guaranteed Result" shall have the meaning given to it in Exhibit F.

"Guaranteed Substantial Completion Date" means June 30th, 2020, as may be extended in accordance with this Agreement.

"Hazardous Materials" means any substance that is either defined or regulated as hazardous or toxic by, or as to which liability including for damages or remediation may be imposed under Applicable Law, including (a) any petroleum or petroleum products, radioactive materials, asbestos in any form that is or could become friable, urea formaldehyde foam insulation, transformers or other equipment that contain dielectric fluid containing polychlorinated biphenyls and processes and certain cooling systems that use chlorofluorocarbons; (b) any chemicals, materials or substances which as of the applicable Effective Date are, or hereafter become, defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants," or any words of similar import pursuant to Applicable Law; or (c) any other chemical, material, substance or waste, exposure to which is now or hereafter prohibited, limited or regulated by any Governmental Authority, or which may be the subject of liability under any Applicable Law for damages, costs or remediation.

"Heating Value" (also known as High Heating Value (HHV)) means the gross heating value on a dry basis, which is the number of Btus produced by the complete combustion at constant pressure of the amount of dry gas that would occupy a volume of one Standard Cubic Foot at a constant pressure of 14.73 psia and a temperature of 60° F with combustion air at the same temperature and pressure as the gas, the products of combustion being cooled to the initial temperature of the gas and air and the water formed by combustion condensed to the liquid state.

"Incremental Tax Adjustment" shall have the meaning given to it in Clause 12.3.

"Initial Contract Term" shall have the meaning given to it in Clause 3.1(a)(i).

"Interconnection Facility" means the facility connecting Seller's MFH Facility to the SJ 5&6 Units, as depicted in <u>Annex C</u>.

"Joule" means a unit of energy defined in the International System of Units.

"kWh" shall mean kilowatt per hour.

"LNG" means Natural Gas in a liquid state at or below its boiling point and at or near atmospheric pressure.

"LNG Delivery Plan" shall have the meaning given to it in Clause 15.1(a).

"Losses" means all liabilities, damages, losses, costs and expenses (including those on account of loss of or damage to property, bodily injury, personal injury, illness, disease, maintenance, cure, loss of consortium (parental or spousal), loss of support, death, and wrongful termination of employment, and all litigation and arbitration costs and expenses and reasonable attorneys' fees) that accrue at any time, whether created by or based upon law (including statute), contract, tort, voluntary settlement or otherwise, or under judicial proceedings, administrative proceedings or otherwise, or conditions in the premises of or attributable to any Person or Persons or any Party or Parties. "Loss" means any of the foregoing.

"Maximum Annual Contract Quantity" shall have the meaning given to it in Clause 6.1.

- "Maximum DCQ" shall have the meaning given to it in Clause 6.5.
- "Maximum Hourly Rate" shall have the meaning given to it in Clause 6.6(a).
- "Metering Equipment" shall have the meaning given to it in Clause 10.2(a).
- "MFH Facility" shall have the meaning given to it in Annex A.
- "MHPSA" means Mitsubishi Hitachi Power Systems America, Inc.
- "Minimum DCQ" shall have the meaning given to it in Clause 6.5.
- "Minimum Hourly Rate" shall have the meaning given to it in Clause 6.6.
- "Mitigation Sale" shall have the meaning given to it in Clause 7.5(c).
- "MMBtu" means 1,000,000 Btu.
- "Monthly Invoice" shall have the meaning given to it in Clause 13.2.
- "Natural Gas" or "NG" means any saturated hydrocarbon or mixture of saturated hydrocarbons consisting essentially of methane and other combustible and non-combustible gases in a gaseous state.
 - "Natural Gas Deficiency" shall have the meaning set forth in Clause 9.1.
- "Natural Gas Manufacturing Discounted Payment" shall have the meaning given to it in Clause 12.3.
- "Natural Gas Manufacturing Surcharge" shall have the meaning given to it in Clause 12.1.
 - "Ninety Day Schedule" or "NDS" shall have the meaning given to it in Clause 7.4(a)(iv).
- "Off-Spec Natural Gas" is any Natural Gas that does not conform to the Specifications set forth in Clause 4.1.
 - "Operations Committee" shall have the meaning given to it in Clause 8.3.
- "Oversight Board" shall mean the Financial Oversight and Management Board for Puerto Rico.
- "Party" and "Parties" shall have the meanings given to them in the preamble to this Agreement.
- "Permit" means, in respect of either Party, any permit, license, consent, clearance, certificate, approval, authorization or similar document or authority (including for export or import) which any Applicable Laws requires such Party (or, in the case of Seller, any member of

the Seller Group) to hold or obtain in order for any of its obligations under this Agreement to be performed, including visas and permits for personnel to work and reside in any location.

"Person" means an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a trust, any unincorporated organization, or any Governmental Authority.

"Planned Buyer Shutdown" shall have the meaning given to it in Clause 8.2.

"Planned Seller Shutdown" shall have the meaning given to it in Clause 8.2.

"Postpetition Financing Budget" shall mean the initial thirteen (13) week cash flow budget filed as Exhibit 1 to Docket No. 722 in Buyer's Title III Case and any subsequent thirteen (13) week cash flow budget submitted by Buyer to the Commonwealth of Puerto Rico, in its capacity as "Lender" under the Credit Agreement (defined in the Postpetition Financing Order) and approved by the Lender and the Oversight Board, as set forth in the Postpetition Financing Order.

"Postpetition Financing Order" shall mean that certain Order (A) Authorizing Debtor Puerto Rico Electric Power Authority to Obtain Postpetition Financing, (B) Providing Superpriority Administrative Expense Claims, and (C) Granting Related Relief entered at Docket No. 744 in the Title III Case.

"Prime Rate" means the prime lending rate, as reported by The Wall Street Journal's bank survey.

"Project" means the Works required to effect the conversion of the fuel delivery and combustion components of SJ 5&6 Units so that those units may be fueled primarily by Natural Gas, as well as the related design, construction and commissioning of the Interconnection Facility to deliver Natural Gas from the MFH Facility to the SJ 5&6 Units, as more particularly described in the Scope of Work.

"PROMESA" means the Puerto Rico Oversight, Management, and Economic Stability Act, 48 U.S.C. §§ 2101-2241, as may be amended or modified.

"Puerto Rican Governmental Authority" means a Governmental Authority of the Commonwealth of Puerto Rico, and excludes, for the avoidance of doubt, any Governmental Authority of the federal government of the United States of America or any state therein.

"Punch List" means the list of non-conforming or incomplete work items that are agreed by Buyer and Seller (each acting reasonably) as being unnecessary for commencement of the Firm Supply Period, but required for the Final Completion of the Work.

"Reasonable and Prudent Operator" means a Person seeking in good faith to perform its contractual obligations and comply with Applicable Law, and in so doing, and in the general conduct of its undertaking, exercising that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced international operator engaged in the same type of undertaking under the same or similar circumstances and conditions.

"Receiving Party" shall have the meaning given to it in Clause 26.1.

"Required Consents" shall have the meaning given to it in Clause 16.1(c).

"Required Testing" means the tests set forth in the agreement between Seller and MHPSA regarding the Works.

"Resident Engineer" means the manager of Seller's field office whose duties include, the administrative issues, quality control, and technical aspects of the Project. This person shall be a professional engineer registered in Puerto Rico and an active member of the Puerto Rico College of Engineers and Land Surveyors. The Resident Engineer shall be present at all times on site for Seller to be able to perform any task relating to the Project.

"Safety Officer" means an employee of Buyer in the role of manager of the HSSE programmes, whose duties include the prevention of accidents and the implementation of the safety and health programme and the site-specific work plan.

"San Juan Power Plant" shall have the meaning given to it in the Recitals.

"Scheduled Maintenance" means the maintenance periods scheduled to be performed on SJ 5&6 Units, the Interconnection Facility and/or the MFH Facility in accordance with Article VIII.

"Scope of Work" shall mean all works and other requirements set forth in Exhibit H.

"Seller" shall have the meaning given to it in the preamble to this Agreement.

"Seller Group" means Seller, its Affiliates, and its or their directors, officers, personnel, contractors and subcontractors, and any heirs, successors, and assigns of any of the above.

"Seller's Financing Sources" shall have the meaning given to it in Clause 37.5.

"Seller Metering Station" shall have the meaning given in Clause 10.2(a).

"Seller Property" means the MFH Facility and all other property developed by Seller adjacent to or in the vicinity of the San Juan Power Plant (other than Buyer Property created by the Works), including as depicted in Annex C.

"Seller's Parent" means Atlantic Energy Holdings LLC, a Delaware limited liability company.

"Significant Party" shall mean (i) U.S. Bank National Association, as successor Trustee pursuant to that certain Trust Agreement, dated as of January 1, 1974, as amended and supplemented, between Buyer and U.S. Bank National Association as successor Trustee, (ii) any holder of or insurer of bonds issued under the Trust Agreement in an aggregate principal amount exceeding \$200 million, (iii) the Oversight Board, (iv) the Buyer, or (v) the Puerto Rico Fiscal Agency and Financial Advisory Authority.

"SJ 5" shall have the meaning given to it in the Recitals to this Agreement.

"SJ 5&6 Units" shall have the meaning given to it in the Recitals to this Agreement.

"SJ 6" shall have the meaning given to it in the Recitals to this Agreement.

"SJ 6 First Gas Requirements" shall have the meaning given to it in Clause 5.4.

"Specifications" shall have the meaning given to it in Clause 4.1.

"Standard Cubic Foot" or "scf" means Natural Gas at a base temperature of 60° F and at a pressure of 14.73 psia with correction for deviation from Boyle's Law.

"Substantial Completion" means, with respect to either of the SJ 5&6 Units, the date when (i) the Works have been completed in respect of such Unit (other than Punch List items), (ii) the Interconnection Facility is able to deliver Seller's Natural Gas to the Delivery Point, (iii) Required Testing of the relevant Unit has been completed, and (iv) Seller has delivered written notice to Buyer that the relevant Unit has passed all Required Testing for such Unit in accordance with Exhibit F.

"Supply Period" shall have the meaning given to it in Clause 5.1.

"Taxes" shall have the meaning given to it in Article XIV.

"TBtu" means 1,000,000,000,000 Btu.

"Termination Event" shall have the meaning given to it in Clause 19.1(b).

"Terms of Works" means the requirements, Clauses, and processes for the Works included as $\underline{Annex\ A}$.

"Third Party" means any Person not a Party to this Agreement; *provided, however,* that for the purpose of <u>Article XI</u>, "Third Party" means any person who is not a member of Seller Group or Buyer Group.

"Title III Case" shall mean the case under Title III of PROMESA styled *In re The Financial Oversight and Management Board for Puerto Rico, as representative of Puerto Rico Electric Power Authority (PREPA)* and numbered No. 17 BK 4780-LTS, which was instituted on July 2, 2017 by the Oversight Board by the filing of a voluntary petition for relief for Buyer.

"Title III Court" shall mean the United States District Court for the District of Puerto Rico, or any appellate court, presiding over the pending Title III Case of PREPA.

"Transitional Supply Period" shall have the meaning given to it in Clause 5.2.

"Trust Agreement" shall mean that certain Trust Agreement, dated as of January 1, 1974, between Buyer and U.S. Bank, National Association, as Successor Trustee, as amended, restated, or otherwise modified from time to time.



"Unit" means SJ 5 or SJ 6, as applicable.

"Unplanned Shutdown" shall have the meaning given to it in Clause 8.1.

"US" means the United States of America.

"US Dollars" or "US\$" means the lawful currency of the United States of America.

"Weekly Programme" shall have the meaning given to it in Clause 7.4(a)(v).

"Works" means the design, engineering, construction, supply, installation, commissioning and testing works within the fence line of the San Juan Power Plant required to make Natural Gas available to SJ 5&6 Units at the Delivery Point and to convert such units to Natural Gas burning power generation, all as further described in the Scope of Work.

1.2 Interpretation

In this Agreement, unless the context requires otherwise:

- (a) References to Clauses, Annexes, and Exhibits are to Clauses, Annexes, and Exhibits of this Agreement. The Annexes and Exhibits hereto are incorporated herein as an integral part of this Agreement.
- (b) References to a Person include that Person's successors and permitted assigns.
- (c) Headings of Clauses, Annexes, and Exhibits are for convenience only and shall not affect the construction or interpretation of this Agreement.
- (d) Where the context requires, words denoting the singular or masculine or neuter only shall include the plural, feminine, body politic or corporate and vice versa.
- (e) References to "include" and "including" shall be construed as "including without limitation."
- (f) The words "agree," "agrees," and "agreed" refer to a written agreement, executed and delivered by the Parties.
- (g) Wherever either Party's consent or agreement is expressed to "not be unreasonably withheld," it is acknowledged that such obligation shall include, but not be limited to, the obligation of the Party not unreasonably to delay giving the relevant consent or agreement, and in the foregoing case as well as wherever either Party undertakes "efforts" or "endeavors" to do something, or refrain from doing something, it is acknowledged that such Party shall not be in breach of its obligations to the other Party to the extent that such Party's actions are limited by such Party's need to comply with its contractual obligations to any Person, provided that such Party has used its reasonable efforts to obtain any necessary waiver(s) of



such relevant obligations and that such Party has not assumed such obligations subsequent to entering into this Agreement.

- (h) Any law, statute or statutory provision shall be construed as a reference to the same as it may be amended, modified or re-enacted, from time to time, and shall include any subordinate legislation made from time to time under that provision.
- (i) If at any time during the Supply Period, the Prime Rate becomes unavailable or inappropriate then the Parties shall meet as soon as possible thereafter and in good faith discuss and attempt to agree in writing upon a suitable alternative replacement. If the Parties are unable to so agree upon a suitable alternative replacement, then either Party may refer the matter to an Expert for determination in accordance with Clause 24.2.

ARTICLE II SALE AND PURCHASE

Seller agrees to sell and make available to Buyer at the Delivery Point, and Buyer agrees to purchase from Seller, Natural Gas in compliance with <u>Article IV</u> "Quality," for use by Buyer solely as fuel for the SJ 5&6 Units. The quantity of Natural Gas to be made available by Seller at the Delivery Point shall be the amount required to operate the SJ 5&6 Units primarily on Natural Gas, as scheduled in accordance with <u>Article VII</u>. The price for such quantities shall be determined in accordance with <u>Article XIII</u>. Pursuant to <u>Clause 7.4(a)(i)</u>, Buyer shall have the right, on or before June 1st of each year, to nominate zero (0) as the Annual Contract Quantity for the following Contract Year, and (at Buyer's option) procure diesel from Third Parties during such Contract Year instead.

ARTICLE III DURATION AND CONDITIONS

- 3.1 Contract Term
 - (a) This Agreement shall enter into full force and effect on the Effective Date and shall, subject to the terms hereof, continue in force and effect until and including the later of:
 - (i) the fifth (5th) anniversary of the first Day of the Firm Supply Period (the "Initial Contract Term"), and
 - (ii) the expiration of any Extension Term agreed to pursuant to Clause 3.1(b),

(such period, the "Contract Term"), unless this Agreement is terminated earlier in accordance with its terms.

(b) Subject to the provisions of this <u>Clause 3.1(b)</u>, Buyer may elect to extend the Contract Term for three (3) separate five (5) year periods (each, an "**Extension Term**"). Buyer must notify Seller in writing of its intent to exercise its right to



extend (an "Extension Notice") by no later than June 1st of the Contract Year preceding the final Contract Year of the Initial Contract Term or Extension Term, as applicable. Upon Seller's receipt of an Extension Notice, the Parties shall have ninety (90) Days to agree in writing on the terms and conditions regarding price and volume applicable to such Extension Term. If, within such ninety (90) Day period, Buyer and Seller are unable to agree upon the volume of Natural Gas and price of Natural Gas delivered to the SJ 5&6 Units that will apply during the relevant Extension Term, then this Agreement shall terminate at the end of the Initial Contract Term or the then-current Extension Term, as applicable.

- (c) In no event shall Buyer be permitted to use Natural Gas purchased from Seller pursuant to this Agreement in any power generation unit other than the SJ 5&6 Units.
- From and after the Effective Date, the Parties shall comply with the terms (d) and conditions of Annex A, and Seller shall be responsible for the scope of work and associated costs required for the Works. Title to all Buyer Property created by the Works shall transfer from Seller at Substantial Completion free and clear of all liens and encumbrances. NOTWITHSTANDING ANY PROVISION OF THIS AGREEMENT TO THE CONTRARY, SELLER SHALL RETAIN EXCLUSIVE TITLE TO (AND BUYER SHALL HAVE NO ACTUAL OR BENEFICIAL RIGHT, TITLE, RIGHT TO USE, OR OTHER INTEREST, IN OR TO) THE SELLER PROPERTY AND ALL FIXTURES. APPURTENANCES AND OTHER ELEMENTS **THERETO** THEREOF.
- (e) During the Contract Term, Seller shall be the exclusive supplier of Natural Gas to Buyer for use as fuel at the SJ 5&6 Units. To the extent that a Seller failure to make available to Buyer a binding quantity of Natural Gas exceeding fifty percent (50%) of the nominations in the Binding Monthly Schedules over three (3) consecutive months, for the remaining duration of such failure, Buyer shall be entitled to procure from Third Parties the volume of Natural Gas that Seller fails to deliver during such remaining duration; *provided, however*, that Seller's facilities shall not be used to deliver any such Natural Gas without Seller's written consent signed by an authorized executive officer of Seller.

3.2 Each of the following will be "Firm Supply Conditions":

- (a) Buyer shall have obtained and maintained from the relevant Governmental Authorities all Permits necessary for the execution of its obligations under this Agreement, including the Permits set out in the column captioned "Buyer Permits" of the table set forth in Exhibit A (the "Buyer Permit Condition");
- (b) Seller shall have (i) given written notice to Buyer that (a) Seller has achieved Substantial Completion of one of the SJ 5&6 Units; and (b) Seller is able to supply Natural Gas on a fully operational basis to such Unit at the Delivery Point, and (ii) obtained from the relevant Governmental Authorities all Permits necessary

for the execution of its obligations under this Agreement, including the Permits set out in the column captioned "Seller Permits" of the table set forth in <u>Exhibit A</u> (the "Seller Firm Supply Condition");

- (c) Buyer shall (i) have obtained the Required Consents with respect to funding for all amounts payable to Seller in connection with the Binding Monthly Schedule included in the then-operative Fiscal Budget and the then-operative Postpetition Financing Budget, to the extent that the Postpetition Financing Budget remains applicable, and, to the extent the Postpetition Financing Budget is no longer applicable, included only in the then-operative Fiscal Budget, (ii) have complied with all applicable terms of the Trust Agreement relating to Buyer's performance under this Agreement, except to the extent such terms of the Trust Agreement are modified, stayed, or otherwise excused by PROMESA and the pendency of the Title III Case, and (iii) be current on amounts due and payable to Seller under this Agreement pursuant to Clause 13.7 in excess of One Million Dollars (\$1,000,000.00);
- (d) (i) no Challenge Action commenced by any Significant Party shall be pending, (ii) no Challenge Action commenced by any other party-in-interest shall be pending for which there is a reasonable likelihood such action could materially impair the ability of Buyer to perform under this Agreement, and (iii) no order relating to a Challenge Action by any party shall have been entered by the Title III Court or other Governmental Authority that impairs this Agreement or the transactions provided for or contemplated by this Agreement including any amounts paid or payable to Seller under this Agreement;
- (e) both (i) no Significant Party shall have challenged the treatment of any amounts paid or payable to Seller under this Agreement as being considered for all purposes, including for purposes of the Trust Agreement, as "Current Expenses" as defined in the Trust Agreement, and (ii) neither Buyer or Seller has, due to any notice or action by a Person (other than the Parties) or a Governmental Authority, a reasonable basis for concluding that any or all amounts paid or payable to Seller under this Agreement would not be considered for all purposes, including for purposes of the Trust Agreement, "Current Expenses" as defined in the Trust Agreement, and to the extent either Party receives at any time any oral or written notice of any challenge by any Significant Party, Person, or Governmental Authority to the treatment of any amounts paid or payable to Seller under this Agreement as "Current Expenses," such Party shall immediately provide such notice to the other Party; and
- (f) no order has been entered by the Title III Court or any other Governmental Authority expressly providing for the appointment of a receiver, custodian, or similar fiduciary for Buyer or any material portion of its property; provided that any order entered by the Title III Court modifying the automatic stay (other than an order of the Title III Court modifying the automatic stay to permit a party to seek the appointment of a receiver, custodian, or similar fiduciary for the Buyer or any material portion of its property in any forum other than the Title III Court) shall not

impair or affect this Agreement (<u>clause (c)</u>, <u>clause (d)</u>, <u>clause (e)</u> and <u>clause (f)</u>, collectively, the "Firm Supply Solvency Conditions," and, together with the Buyer Permit Condition, the "Buyer Firm Supply Conditions").

- 3.3 The Parties shall keep each other duly informed of the fulfillment of each of their respective Firm Supply Conditions. Seller shall notify Buyer and Buyer shall notify Seller in writing of the date on which it anticipates that the Seller Firm Supply Condition or the Buyer Firm Supply Conditions, respectively, will be satisfied no less than thirty (30) Days prior to such anticipated date. As soon as the Seller Firm Supply Condition or a Buyer Firm Supply Condition is satisfied, Seller or Buyer, respectively, shall confirm in writing the fulfillment of such Firm Supply Condition.
- 3.4 The Firm Supply Period will commence as provided in <u>Clause 5.3</u>. The "Firm Supply Conditions Date" shall be the date on which Seller Firm Supply Condition and the Buyer Firm Supply Conditions have been satisfied or expressly waived in accordance with <u>Clause 3.7</u>, provided that the Firm Supply Conditions Date will not occur until the latest date specified in a notice properly delivered under Clause 3.3.
- 3.5 Each Party shall use commercially reasonable efforts to cooperate and assist the other to obtain and maintain their respective Permits. Buyer shall not act or fail to act in any manner that delays, interferes with, impedes, or otherwise negatively impacts, Seller's ability to satisfy the Firm Supply Conditions or thereafter to deliver Natural Gas hereunder. Seller shall not act or fail to act in any manner that delays, interferes with, impedes, or otherwise negatively impacts, Buyer's ability to satisfy the Firm Supply Conditions or thereafter to receive Natural Gas hereunder. In agreeing to the Seller's Firm Supply Conditions, the Guaranteed First Gas Date, the Guaranteed First Gas Long-Stop Date and the Guaranteed Substantial Completion Date, Seller has relied on the assumption that no other Puerto Rican Governmental Authority will act or fail to act in any manner that delays, interferes with, impedes, or otherwise negatively impacts, the Parties' respective abilities to satisfy the Firm Supply Conditions or thereafter to deliver and receive Natural Gas hereunder, even though it is acknowledged that Buyer has no authority to, and is not required hereunder, to compel any such conduct (or abstention therefrom). Buyer's obligations under this Clause 3.5 and the Seller assumptions regarding other Puerto Rican Governmental Authorities include (i) that Buyer will use commercially reasonable efforts to ensure that its Permits that are required in order to satisfy the Firm Supply Conditions are applied for, processed, granted and obtained in a timely manner, and are thereafter maintained for the duration of the Contract Term (provided that the foregoing does not require Buyer to compel action by any other Puerto Rican Governmental Authority), (ii) that Buyer will use commercially reasonable efforts to cooperate and assist Seller with obtaining and maintaining the Seller Permits, (iii) non-interference with Seller's ability to deliver, or Buyer's ability to accept, the quantity of Natural Gas contemplated hereby, (iv) completion of each action specified for Buyer in Exhibit A by the corresponding date specified therein, and (v) from the Effective Date until the Works are finally complete, unrestricted access (to the extent reasonably necessary to complete the Works) to and use of all areas on or adjacent to the San Juan Power Plant that are necessary for the execution of the Works, twenty-four (24) hours per Day, seven (7) Days per week, for Seller, its contractors, subcontractors, vendors and consultants, and their respective officers,

employees and representatives, in each case with prior notice (which may be included in a work plan agreed by the Parties). As Seller's sole and exclusive remedy in connection with Buyer's failure to comply with this <u>Clause 3.5</u> and any variance from or inaccuracy of any of the assumptions made with respect to any Puerto Rican Governmental Authority or to any other party (A) the Guaranteed First Gas Date and the Guaranteed First Gas Long-Stop Date shall be automatically extended by the number of days by which such failure, variance or inaccuracy directly or indirectly delay the Commissioning Start Date beyond such date, (B) the Guaranteed Substantial Completion Date shall be automatically extended by the number of days by which such failure, variance or inaccuracy directly or indirectly delay achievement of Substantial Completion beyond such date, and (C) in accordance with <u>Article 9</u> of <u>Annex A</u>, Seller shall be entitled to an equitable adjustment to the compensation payable hereunder.

- 3.6 Each Party shall furnish the other Party upon request by such other Party with such other reasonable assistance and other information in its possession (and not subject to applicable confidentiality restrictions) as the other Party may request in connection with its fulfillment of each Firm Supply Condition for which that other Party is the responsible Party.
- 3.7 Each Party shall be entitled, in its sole discretion, to waive the other Party's obligation to comply with such other Party's Firm Supply Conditions.

ARTICLE IV QUALITY

- 4.1 The Natural Gas delivered by Seller to or for the account of Buyer at the Delivery Point shall comply with the Natural Gas quality specifications set forth in Exhibit B (the "Specifications"). The standard test methods ASTM D1945, Standard Test Method for Analysis of Natural Gas by Gas Chromatography, then in effect, shall be used to determine compliance with the Specifications.
- 4.2 Failure of Natural Gas to Conform to Specifications
 - (a) Seller shall notify Buyer as soon as reasonably practicable after becoming aware of any existing or anticipated failure of the NG available for delivery to the Delivery Point to conform to the Specifications, giving details of the nature and expected magnitude of the variance, the cause of the non-compliance and the probable duration, including the delivery time of such Off-Spec Natural Gas.
 - (b) If at any time, the NG offered for delivery by Seller is or is reasonably expected by Seller to be Off-Spec Natural Gas, Buyer may reject in whole or in part the delivery of such Off-Spec Natural Gas.
 - (c) If at any time, Seller is unable to deliver NG conforming to the Specifications but is able to deliver Off-Spec Natural Gas, Seller shall withhold deliveries until such time as it is able to deliver NG conforming to the Specifications; *provided, however*, that in such event Buyer shall be entitled to (i)



procure Back-up Fuel Quantity from Third Parties, or (ii) request delivery of such Off-Spec Natural Gas (a "**Delivery Confirmation Request**"), unless such delivery, in Seller's opinion acting as a Reasonable and Prudent Operator, would have a detrimental effect on the MFH Facility or other related Seller Property.

- (d) Unless both (i) Buyer is notified of the full extent to which Off-Spec Natural Gas actually fails to meet the Specifications, and (ii) Buyer makes a Delivery Confirmation Request pursuant to Clause 4.2(c) (which shall constitute a waiver in writing of its right to reject such Off-Spec Natural Gas), Seller shall, subject to Clause 11.5, be liable for all cost and expense directly incurred by Buyer as a result of the delivery of Off-Spec Natural Gas, including all the reasonable out-of-pocket, actual costs and expenses incurred (over and above those normally incurred in accepting conforming Natural Gas) in receiving and treating Off-Spec Natural Gas by such means as are appropriate; provided, however, that Buyer shall exercise commercially reasonable practices to minimize the costs and expenses which may occur.
- (e) If (i) Buyer is notified of the full extent to which Off-Spec Natural Gas actually fails to meet the Specifications, and (ii) Buyer procures a Back-up Fuel Quantity from Third Parties pursuant to <u>Clause 4.2(c)</u> as a replacement for such Off-Spec Natural Gas, Seller shall be liable to Buyer for the Back-up Fuel Cover Amount for such Back-up Fuel Quantity, as determined pursuant to <u>Clause 9.1(b)</u>.
- (f) If (i) Buyer is notified of the full extent to which Off-Spec Natural Gas actually fails to meet the Specifications, and (ii) Buyer waives in writing its right to reject such Off-Spec Natural Gas, (A) such Off-Spec Natural Gas shall be deemed to have been delivered in accordance with this Agreement and (B) Seller shall not be liable for any damages to Buyer for the acceptance of such Off-Spec Natural Gas.
- (g) When NG is not taken by Buyer due to it being Off-Spec Natural Gas or when Seller withholds NG pursuant to <u>Clause 4.2(c)</u>, Buyer shall not be obliged to pay for such NG not taken, and such NG not taken shall be deemed not to have been made available and shall be considered a "Natural Gas Deficiency."
- (h) The price for all Off-Spec Natural Gas delivered to the Delivery Point, whether pursuant to paragraph (f) above or otherwise, shall equal eighty-five percent (85%) of the Fuel Price.
- (i) Buyer shall have no right or remedy with respect to the Off-Spec Natural Gas other than those stated or referred to in this <u>Clause 4.2</u> and <u>Article XIX</u>.
- 4.3 Any Dispute between the Parties concerning the measurement and/or testing of NG for the purposes of determining the quality thereof at the Delivery Point, shall be settled in accordance with the provisions of <u>Clause 24.2</u> of this Agreement.



ARTICLE V SUPPLY PERIOD

- 5.1 The supply period for NG shall begin on the Commissioning Start Date and shall continue in force until and including the last Day of the Contract Term (the "Supply Period").
- 5.2 The phase of the Supply Period from, and including, the Commissioning Start Date to, and including, the final Day of the calendar month in which the Firm Supply Conditions Date occurs shall be considered to be a transitional supply period (the "**Transitional Supply Period**").
- 5.3 The phase of the Supply Period from and including the first Day of the first calendar month that commences after the Firm Supply Conditions Date to and including the last Day of the Contract Term shall be the "**Firm Supply Period**."
- 5.4 Seller shall use commercially reasonable efforts to complete those elements of the Works that are necessary to make the Interconnection Facility and SJ 6 capable of receiving and using Natural Gas (the "SJ 6 First Gas Requirements") for commissioning on a Day (the "Commissioning Start Date") that occurs on or before the Guaranteed First Gas Date (as it may be extended pursuant to this Clause 5.4). Seller shall deliver written notice to Buyer promptly upon achievement of the SJ 6 First Gas Requirements and the Commissioning Start Date. If, due to events or circumstances not attributable to Seller (including (i) any event of Force Majeure, (ii) any material breach of this Agreement by Buyer (including of Clause 3.5), (iii) any variance from the assumptions specified in Clause 3.5 with respect to Puerto Rican Governmental Authorities, (iv) any act or omission of MHPSA, including failure to perform any part of the Works fully in accordance with the terms of the agreement between MHPSA and Seller, or any delay in performing such work, (v) any act or omission of Buyer, including Buyer's inability, for any reason, to satisfy the Buyer Firm Supply Condition, and (vi) any Change of Law), satisfaction of the SJ 6 First Gas Requirements is delayed, the Guaranteed First Gas Date shall be automatically extended by the number of days by which such events or circumstances directly or indirectly delay satisfaction of the SJ 6 First Gas Requirements.
- 5.5 If the Commissioning Start Date fails to occur within seven (7) calendar Days after the Guaranteed First Gas Date, Seller shall be liable to Buyer for delay liquidated damages of Three Hundred Thirty-Three Thousand Three Hundred Thirty Three Dollars and 33/100 Cents (\$333,333.33) per Day that elapses between the Day that is the eighth (8th) day after the Guaranteed First Gas Date and the Commissioning Start Date (the "**Delay LDs**"), up to an aggregate maximum of Ten Million Dollars (\$10,000,000.00). The Parties acknowledge and agree that the Delay LDs are a reasonable calculation of the loss that Buyer will suffer as a result of such a delay, are assessed in light of the difficulty of calculating such loss, and do not constitute a penalty. The Delay LDs shall be Buyer's sole and exclusive remedy, and Seller's sole and exclusive liability, with respect to any delay in satisfaction of the SJ 6 First Gas Requirements or commencement of Natural Gas supply (save with respect to the applicable Termination Events in Clause 19.1(b)(ii) and Clause 19.1(b)(v)).



ARTICLE VI NG QUANTITIES

- 6.1 The "Maximum Annual Contract Quantity" for each Contract Year shall be twenty-five (25) TBTU unless otherwise agreed in writing by the Parties.
- 6.2 The Maximum Annual Contract Quantity shall be prorated downward ratably for each Contract Year of less than three hundred sixty-five (365) Days. Without prejudice to the provisions of <u>Clause 6.5</u> and taking into account Seller's commercial and technical restrictions and subject to the Parties obtaining any relevant Permits, during the Transitional Supply Period (a) Seller shall sell and deliver NG to Buyer at the Delivery Point and (b) Buyer shall purchase and take delivery from Seller, at the Delivery Point, such quantities of Natural Gas as the Parties agree are necessary for Seller to start-up, commission, test and complete, the Works, and Buyer shall make such quantities of Natural Gas available to the Seller for such purposes.
- 6.3 All the terms and conditions of this Agreement governing the delivery, receipt, metering and testing of, and payment for, Natural Gas, shall apply *mutatis mutandis* during the Transitional Supply Period, provided that:
 - (a) Seller shall make available the necessary agreed quantities of NG in accordance with <u>Clause 6.2</u> and Buyer shall pay for such quantities of NG, in each case in accordance with this Agreement, provided that the quantities of NG to be delivered shall not, without prior written agreement between the Parties, exceed:
 - (i) the maximum amount of NG that Seller can supply technically, legally and commercially; and
 - (ii) The maximum amount of NG that Buyer can consume at SJ 5&6 Units.
 - (b) The Fuel Price applicable to the NG quantities consumed during the Transitional Supply Period up to a maximum quantity of one million two hundred thousand (1,200,000) MMBtu in aggregate for both SJ 5&6 Units shall be the Fuel Price calculated in accordance with Exhibit C, and Seller shall be solely responsible for the cost of NG in excess of such quantity, except to the extent that such excess quantities are used to generate power sold to the grid by Buyer.
- 6.4 The Parties shall be in contact on a regular basis to define the quantities of Natural Gas to deliver, and to agree upon a delivery programme, in accordance with <u>Clauses 7.4(a)(iii)</u>, <u>7.4(a)(iv)</u> and <u>7.5</u>, and to start the supply as soon as practicable during the Transitional Supply Period.
- 6.5 In respect of each Day of every Contract Year, the contracted quantity for such Day (the "Daily Contract Quantity" or "DCQ") shall be the daily nomination for such Day of the Binding Monthly Schedule or as otherwise agreed in writing. The maximum quantity that Buyer may nominate for any Day (the "Maximum DCQ") shall be eighty-six thousand



one hundred sixty (86,160) MMbtu per Day; provided, however, that Seller shall use reasonable efforts to comply with Buyer's request to deliver a quantity on a Day in excess of the applicable Maximum DCQ. If Buyer nominates a quantity of Natural Gas for a given Day above zero (0), then the minimum quantity that Buyer may nominate for such Day (the "Minimum DCQ") shall be eleven thousand four hundred (11,400) MMbtu per Day; provided, however, that Seller shall use commercially reasonable efforts to comply with Buyer's request to deliver a quantity on a Day that is less than the applicable Minimum DCQ.

6.6 Hourly Rates

- (a) Seller shall not be obliged, notwithstanding any other provision of this Agreement, to deliver the DCQ at an hourly rate over three thousand five hundred ninety 3590 MMbtu per hour ("Maximum Hourly Rate") or, if a DCQ above zero (0) has been nominated, under nine hundred fifty (950) MMbtu per hour ("Minimum Hourly Rate"); provided, however, that (i) Seller shall make commercially reasonable efforts to accommodate a lower send-out during start-up and shutdown of a Unit; and (ii) Seller shall use commercially reasonable efforts to comply with Buyer's requests to exceed the Maximum Hourly Rate or to deliver at a rate that is less than the Minimum Hourly Rate, to the extent necessary for Buyer's demand, subject to the operation of the SJ 5&6 Units.
- (b) Buyer shall not be obliged, notwithstanding any other provision of this Agreement, to receive the DCQ at an hourly rate over the Maximum Hourly Rate or under the Minimum Hourly Rate; *provided, however*, that Buyer shall use commercially reasonable efforts to comply with Seller's exceptional requests to exceed such Maximum Hourly Rate or, if a DCQ above zero (0) has been nominated, fall below such Minimum Hourly Rate to the extent necessary for the performance of this Agreement.

ARTICLE VII SCHEDULING

7.1 Transitional Supply Period

In accordance with <u>Clause 6.4</u>, the Parties shall agree to a delivery programme for the Transitional Supply Period.

During the Transitional Supply Period, <u>Clauses 7.4(a)(iii)</u>, <u>7.4(a)(iv)</u> and <u>7.5</u> shall apply *mutatis mutandis* to the binding NG quantities agreed between the Parties in accordance with <u>Clause 6.4</u>.

7.2 Firm Supply Period –first Contract Year

The first Contract Year shall begin on the first Day of the Firm Supply Period and end on December 31st following the start of the Firm Supply Period.



7.3 Firm Supply Period –except for first Contract Year and the last Contract Year:

Each Contract Year shall begin on January 1st, of the Contact Year at 00:00 local time and end on December 31st, of the Contract Year at 24:00 local time.

- 7.4 With respect to each Contract Year during the Firm Supply Period, the following provisions shall apply:
 - (a) The "Annual Delivery Programme" ("ADP"), Ninety Day Schedule ("NDS") and Weekly Programme for such Contract Year shall be established according to the following conditions:
 - (i) Except for the first Contract Year, on or before June 1st, Buyer shall nominate, on a non-binding basis, the "Annual Contract Quantity" or "ACQ" for the upcoming Contract Year, which ACQ may be zero (0), but if it is more than zero (0), then it must be at least four (4) TBTU and shall not exceed the Maximum Annual Contract Quantity for such Contract Year. In establishing each ACQ, Buyer shall have the right to nominate a quantity of Natural Gas equal to zero (0) and, at Buyer's election, to procure diesel from Third Parties during the relevant period. If Buyer nominates zero (0) or less than four (4) TBTU (which shall be deemed a nomination of zero (0)), such nomination shall be final and binding and Seller has no obligation to deliver for that Contract Year. In addition to the ACQ, Buyer shall provide on or before June 1st:
 - (A) an estimate of its Natural Gas consumption and projected electricity dispatch from SJ 5&6 Units ("**Dispatch**") on a quarterly basis; and
 - (B) its non-binding estimate of the dates of any Scheduled Maintenance expected to occur during such Contract Year.

Regarding the first Contract Year, an estimation of the ACQ and the information required in this <u>Clause 7.4(a)(i)</u> are attached hereto as <u>Annex E</u>. Seller shall provide written notice to Buyer at least ninety (90) Days in advance of what it anticipates will be the Firm Supply Condition Date (the "Anticipated Commencement Notice"). Buyer shall confirm no later than ten (10) Days after receiving the Anticipated Commencement Notice, the final ACQ for the first Contract Year.

(ii) Except for the first Contract Year, on or before October 1st of each year thereafter, Buyer shall provide to Seller an ADP for the ACQ informed by Buyer in accordance with Clause 7.4(a)(i), for the following Contract Year showing Natural Gas consumption and Dispatch quantities on a monthly basis the sum of such quantities for the three (3) months of each calendar quarter (the "Quarterly Quantity"), in each case on a non-binding



basis. This ADP shall include the final dates of any Scheduled Maintenance to occur during such Contract Year.

- (iii) Regarding the first Contract Year, Buyer shall provide Seller an estimated ADP no later than thirty (30) Days after the Effective Date. Once the Anticipated Commencement Notice is delivered to Buyer, Buyer shall confirm no later than ten (10) Days after such event, the final ADP for the first Contract Year.
- (iv) On or before the fifth (5th) Day of each calendar month M-1 Buyer shall provide to Seller its NG requirements and planned Dispatch for the three (3) months following M-1 (the "NDS" and such three months, in chronological order, months "M," "M+1" and "M+2"). The NDS shall be final and binding for month M (the "Binding Monthly Schedule"), subject to Clause 7.6. The NDS shall be non-binding for months M+I and M+2. Such NDS shall include the monthly quantities of Natural Gas to be delivered in and planned Dispatch for each of the next three (3) months, as well as the daily Natural Gas requirements and planned Dispatch for month M. Buyer may request additional Natural Gas from Seller for month M after the deadline for submission of the NDS. Upon receipt of such a request, Seller shall inform Buyer within one (1) Day whether Seller can deliver all or a portion of such quantities and the applicable price, and Buyer shall have two (2) Days to accept or decline Seller's offer. If Buyer accepts Seller's offer, such quantities shall become firm and binding; provided, however, that such quantities shall not be treated as quantities of Natural Gas to which the Binding Monthly Schedule, the NDS, any Quarterly Quantity or the ACQ apply. Further, Buyer shall use commercially reasonable efforts to include in each NDS estimated, non-binding daily requirements for months M+l and M+2; and
- (v) On or before 00.00 hours Puerto Rico Time of each Wednesday of each week, or, if such Day is not a Business Day, on the Business Day immediately preceding such Day, Buyer shall provide to Seller a daily estimate of its NG requirements and planned Dispatch for the coming week, to be provided on a daily basis with hourly detail. This weekly programme ("Weekly Programme") shall be reasonably adjusted to the original NDS for the applicable month. For the purpose of this <u>Clause 7.4</u> each Weekly Programme shall contain consumption details beginning 00:00 hours Sunday until 23:59 hours the following Saturday.
- (b) The Parties shall cooperate in the scheduling to ensure that the supply of Natural Gas to the SJ 5&6 Units is as regular and as even as practicable (subject to Buyer's Scheduled Maintenances) in a manner that is consistent with Seller's projected deliveries and use of LNG, as such projected deliveries or requirements may be adjusted or exist from time to time. Under no circumstance shall Buyer, without the prior written agreement of Seller pursuant to Clause 7.4(a)(iv), be entitled to nominate any quantity of Natural Gas that would increase the daily,

weekly, monthly, quarterly or annual (as applicable) quantity of Natural Gas that Seller is required to deliver hereunder to exceed the quantity of Natural Gas nominated with respect to the relevant period pursuant to any earlier nomination under Clause 7.4(a).

- (c) Buyer designates the Operational Manager as specified in <u>Article XXIII</u> to make all the notifications required under this <u>Clause 7.4</u>.
- (d) Buyer will use commercially reasonable efforts to provide written notice to Seller as soon as practicable after information becomes available to Buyer or any event occurs that causes a discrepancy between the quantities of Natural Gas nominated by Buyer pursuant to this <u>Clause 7.4</u> (including the ACQ, ADP, NDS, Quarterly Quantity, Binding Monthly Schedule and the Weekly Programme) and the quantities that Buyer is able to receive, regardless of whether such nomination is binding or non-binding. Such notice shall specify the cause of such discrepancy and the amount of such discrepancy. Unless and until Seller receives any such notice from Buyer, Seller shall be considered as acting reasonably in relying on the nominations provided by Buyer pursuant to this <u>Clause 7.4</u>.
- 7.5 If, during any month, Buyer determines that it no longer requires, or if Buyer is unable to receive, some or all of the quantity of Natural Gas set forth in the Binding Monthly Schedule for such month (such quantity, the "Excess Nomination"), then:
 - (a) Buyer shall promptly provide written notice to Seller of the quantities not needed or unable to be received;
 - (b) Buyer shall remain obligated to pay the Fuel Price for the originally nominated Binding Monthly Quantity (subject to Buyer's right to receive Carryover Credits pursuant to Clause 7.5(d));
 - Seller shall use commercially reasonable efforts to sell the Excess (c) Nomination, whether as Natural Gas or as LNG, at a reasonable price. If Seller is able to sell all or a portion of such Excess Nomination (such sale, a "Mitigation Sale"), Seller shall credit to Buyer the proceeds of such Mitigation Sale, less the reasonable, incremental out-of-pocket costs incurred by Seller in storing and transporting the Natural Gas or LNG sold, and marketing, making and performing such sale, in each case above what Seller would have incurred in making such gas available at the Delivery Point. Seller shall furnish the details of such Mitigation Sale in writing to Buyer within thirty (30) days of the date of such sale. Any sale of LNG or Natural Gas by Seller to any Third Party that Seller was already obligated to make (as of the date Seller becomes aware of the Excess Nomination) is not a Mitigation Sale. If Seller is unable to sell all or a portion of such Excess Nomination (such inability to be documented in a writing describing the market conditions that precluded such sale or made such sale commercially impracticable), Seller shall retain such quantities and credit Buyer with an amount equal to fifteen percent (15%) of the Fuel Price multiplied by the quantity not sold on the Day it would have otherwise been made available to Buyer; and

- (d) To the extent that an Excess Nomination is caused by Force Majeure or a Forced Shutdown and Buyer pays for such Excess Nomination pursuant to <u>Clause 7.5(b)</u> (the "Credit Quantity"), Buyer shall be entitled to a credit determined by multiplying the Credit Quantity by the Fuel Price for the relevant month (a "Carryover Credit"), which may be applied to Buyer's payment obligations in the immediately subsequent three (3) months, on a first-in first-out basis. To the extent any Carryover Credit is not applied to Buyer's payment obligations in the three (3) months immediately following its accrual, such Carryover Credit shall expire.
- 7.6 Notwithstanding anything in this Agreement to the contrary, Buyer shall have no obligation to pay for any portion of a Binding Monthly Schedule to the extent not made available or not taken at the Delivery Point due to (a) an event of Force Majeure claimed by Seller or (b) any other reasons attributable to Seller (including any Unplanned Shutdowns affecting the MFH Facility, any Planned Seller Shutdown or other Scheduled Maintenance on the MFH Facility, or rejected or withheld Off-Spec Gas).
- 7.7 Notwithstanding any Binding Monthly Schedule delivered pursuant to this Article VII, and without limiting Buyer's obligations and liabilities hereunder or under Applicable Law with respect to such binding nominations, until such time as the Title III Case is finally resolved (and is no longer subject to appeal), and unless (and then only to the extent that) the terms set forth in this Clause 7.7 are expressly waived by Seller by written notice expressly referring to this Clause 7.7:
 - (a) Seller shall not be obligated to deliver any quantity of Natural Gas set forth in a binding nomination unless the Firm Supply Solvency Conditions were satisfied at the time of each relevant nomination and remain satisfied at the time that the relevant quantity of Natural Gas is scheduled for delivery;
 - (b) if any Firm Supply Solvency Condition is not satisfied at any time, Seller's obligations under this Agreement shall be immediately suspended for the duration of the Supply Period (without notice by or action of the Seller); and
 - (c) Seller is excused from performing under this Agreement, unless and until such Firm Supply Solvency Condition is satisfied in full, at which time the suspension of the Supply Period shall cease, and the Parties shall resume performance under the Agreement.

From and after the final resolution of the Title III Case, the terms and conditions of this <u>Clause 7.7</u> shall be null and void and of no further force and effect.

ARTICLE VIII SHUTDOWN; COMMITTEES

8.1 In the case of any unplanned outage, trip, curtailment or temporary discontinuance in the operation of the SJ 5&6 Units, the Interconnection Facility or the MFH Facility (including any unplanned outage, trip, curtailment or temporary discontinuance necessary to address any emergency or an imminent threat to the health and safety of people or



property) (an "Unplanned Shutdown"), the affected Party shall provide written notice thereof to the other Party as soon as reasonably possible, and in no event more than ninety (90) minutes after the start of such Unplanned Shutdown. During the period of any Unplanned Shutdown, the affected Party shall, from time to time, update the unaffected Party on the expected progress towards completing the maintenance or modification, whichever is applicable. Seller shall use commercially reasonable efforts to sell to third parties all quantities of Natural Gas for which Buyer is unable to take delivery during an Unplanned Shutdown affecting Buyer.

- 8.2 Buyer shall (a) within thirty (30) days of its receipt of the Anticipated Commencement Notice, provide a written notice to Seller indicating the periods of time during the first year of the Supply Period, and (b) by October 1 of each year during the Supply Period, a written notice to Seller indicating the periods of time during the next Contract Year, in each case, when Buyer has planned Scheduled Maintenance (each, a "Planned Buyer Shutdown"). Seller shall provide written notice to Buyer six (6) months prior to the dates during the next year when the MFH Facility will be shut down for maintenance or refurbishment (each, a "Planned Seller Shutdown"); provided, however, that in each Contract Year such Planned Seller Shutdowns and Unplanned Shutdowns of the MFH Facility will, in aggregate, last no longer than twenty-one (21) Days. Seller shall use commercially reasonable efforts to cause its Planned Seller Shutdowns to coincide with Planned Buyer Shutdowns. Each Party's obligations under this Agreement to deliver and receive Natural Gas shall be suspended and excused during Unplanned Shutdowns affecting the other Party, Unplanned Shutdowns caused by Force Majeure, and Planned Buyer Shutdowns and Planned Seller Shutdowns.
- 8.3 The Parties shall establish a committee comprised of three (3) representatives of each Party (as set forth in <u>Annex D</u>) for the purpose of reviewing and discussing the operations of the Parties at the MFH Facility, the Interconnection Facility and the SJ 5&6 Units (such committee, the "Operations Committee"). The Operations Committee shall meet monthly from and after the Effective Date. Each Party shall have the right to change its representatives on the Operations Committee at its sole discretion by providing written notice thereof to the other Party.
- 8.4 The Parties shall establish a committee comprised of three (3) representatives of each Party (as set forth in <u>Annex D</u>) for the purpose of reviewing and discussing the progress and commissioning of the Works (such committee, the "Construction Committee"). The Construction Committee shall meet every week from and after the Effective Date until Final Completion is achieved, and thereafter, the Construction Committee shall meet monthly. Each Party shall have the right to change its representatives on the Construction Committee at its sole discretion by providing written notice thereof to the other Party.

ARTICLE IX SELLER'S SHORTFALL

9.1 If, for any reason other than the occurrence of (a) an event of Force Majeure, (b) a Planned Seller Shutdown, (c) Excess Nominations, (d) the failure of any Firm Supply



Solvency Condition to be satisfied at any time (subject to <u>Clause 7.7</u>) or (e) reasons attributable to Buyer (including any Unplanned Shutdowns affecting the SJ 5&6 Units, any Scheduled Maintenance affecting SJ 5&6 Units or any suspension pursuant to <u>Clause 13.9(b)</u>), Seller fails to deliver to Buyer the scheduled quantity of Natural Gas in the Binding Monthly Schedule for the applicable month of any Contract Quarter (the "Natural Gas Deficiency"), then, as Buyer's sole and exclusive remedy, and Seller's sole and exclusive liability, with respect to such Natural Gas Deficiency (subject only to Buyer's termination right pursuant to Clause 19.1(b)(ii)(B)):

- (a) At Seller's sole option, Seller shall either (i) make available to Buyer, at the SJ 5&6 Units, the equivalent quantity of diesel (the "Back-up Fuel Quantity") required to make up for the energy content of the Natural Gas Deficiency, as calculated in accordance with Exhibit G or (ii) pay the Back-up Fuel Cover Amount so that Buyer may procure the Back-up Fuel Quantity from Third Parties.
- (b) In case of <u>Clause 9.1(a)(ii)</u>, if on the date of purchase of such Back-up Fuel Quantity by Buyer, the Back-Up Fuel Quantity Index Price exceeds the Fuel Price that would have been payable hereunder for an equivalent quantity of Natural Gas (based on energy content), Seller shall reimburse Buyer for the lower of (i) such difference multiplied by the Back-up Fuel Quantity Index Price applicable if Seller had delivered Natural Gas and (ii) the actual incremental cost to Buyer of sourcing and delivering the Back-up Fuel Quantity, relative to the Fuel Price that would have been paid to Seller for equivalent Natural Gas (the "Back-up Fuel Cover Amount").
- 9.2 Any Back-Up Fuel Cover Amounts shall be due and payable by Seller to Buyer in accordance with Article XIII.
- 9.3 Seller agrees that Buyer's damages associated with Seller's failure to deliver NG hereunder would be difficult to estimate, and that <u>Clause 9.1</u> represents a reasonable estimate of such damages.

ARTICLE X MEASUREMENT AND TESTING

10.1 Unit of Measurement

The following guidelines shall be followed with regard to the units of measurement to be used by either Party to comply, as appropriate, with the provisions of this Agreement:

(a) The unit for the purpose of measuring volume shall be one cubic foot of Natural Gas at a base temperature of sixty degrees (60°) F and at a pressure of 14.73 psia with correction for deviation from Boyle's Law. Computation of volumes, including any deviation from Boyle's Law, shall comply with applicable rules, regulations, and orders promulgated by the appropriate regulatory authorities having jurisdiction. For payment purposes, the volume of Natural Gas delivered hereunder will be determined at the pressure reported by the Metering Equipment



or based on fifteen (15) Day average flowing pressure corrected, if necessary, in the event that the Metering Equipment is inoperable or not measuring accurately, as applicable, and will be multiplied by the Btu content per cubic foot to obtain the total Btu contained within such volume of Natural Gas.

- (b) For purposes of measurement and meter calibration, the atmospheric pressure shall be assumed to be 14.73 psia, irrespective of actual elevation or location of the Delivery Point or any Metering Equipment above sea level, or variations in such atmospheric pressure from time to time.
- (c) The static pressure of the Natural Gas passing through the Metering Equipment shall be determined by the use of electronic measurement equipment or by the use of another pressure recording device reasonably acceptable to both Parties. The instantaneous static pressure measurements from the electronic measurement equipment or the arithmetic average of the temperature recorded each Day shall be used in computing Natural Gas volumes.
- (d) If Metering Equipment requiring the use of specific gravity is used, then the specific gravity of the Natural Gas delivered hereunder shall be determined by a method according to accepted industry practice. If a recording gravitometer is used, then the arithmetic average of the specific gravity of the Natural Gas flowing through the meters shall be used in computing Natural Gas volumes. If a spot test method is used, then the specific gravity of the Natural Gas delivered hereunder shall be determined as often as found necessary in practice. Any such test shall determine the specific gravity to be used in computation of volumes values effective the first Day of the following month and shall continue to be used until changed in a like manner by a subsequent test.
- (e) The temperature of the Natural Gas shall be determined by a recording thermometer installed so that it will record the temperature of the Natural Gas flowing through the meters, and such flowing temperature shall be corrected to Fahrenheit.
- (f) Heating Value and energy content will be measured by Seller as described in "Appendix F Heating Value Calculation of API MPMS, Chapter 14.3." The determination of Natural Gas composition shall be in accordance with the GPA Standard 226 "Analysis for Natural Gas Chromatography" and GPA Standard 2172 "Calculation of Gross Heating Value relative density and compressibility factor for Natural Gas Mixtures from compositional analysis". The composition of the NG shall be continuously measured by on-line chromatographs installed and maintained (or caused to be installed and maintained) by Seller at Seller's sole expense. The Heating Value of the NG shall be calculated using results from the on-line chromatograph. In the event of failure of the on-line NG chromatograph, chromatograph analysis of samples collected proportional to the flow through the meters shall be Used. All electronic metering shall comply with the API Manual of Petroleum Standards, Chapter 21, Flow Measurement Using Electronic Metering



Systems, First Edition, dated September 1993, and any subsequent modification and amendment thereof.

(g) The energy content of all NG delivered hereunder shall be in Btu and shall equal the Standard Cubic Feet of such NG multiplied by the Heating Value of such NG.

10.2 Metering Equipment

- (a) Prior to the start of the Supply Period, Seller shall install or cause to be installed, at Seller's expense, a main and a back-up ultrasonic meter as necessary to measure the flow, volume and Heating Value of Natural Gas delivered hereunder for revenue purposes (the "Metering Equipment"). The Metering Equipment will be installed at the point identified as "Seller Metering Station" on the schematic attached as <u>Annex C</u>. The Metering Equipment shall be designed and installed in accordance with the current recommendations of the American Gas Association. If the Metering Equipment (or component(s) thereof) is out of service or registering inaccurately, the volumes of Natural Gas delivered hereunder shall be estimated as follows, in descending order of priority:
 - (i) by using the registration of the Buyer Check Meter;
 - (ii) by correcting the error if the percentage of error is ascertainable by calibration, test, or mathematical calculation; or
 - (iii) by estimating the quantity of delivery by measuring deliveries during prior periods under similar conditions when any meter was registering accurately.
- (b) Buyer has a meter equipment necessary to measure the volume of Natural Gas delivered hereunder (the "Buyer Check Meter"). The Buyer Check Meter is installed at the point identified as "Buyer Metering Station" on the schematic attached as Annex C. The Buyer Check Meter is designed and installed in accordance with the current recommendations of the American Gas Association. In the event that Buyer notifies Seller of a discrepancy greater than plus or minus one percent (1%) between the quantity of Natural Gas delivered at the Delivery Point by Seller according to the Buyer Check Meter, and the quantity of Natural Gas measured by the Metering Equipment, the Parties will resolve and correct such discrepancy (including with respect to adjustments for prior Natural Gas deliveries).
- (c) For the avoidance of doubt, it is the intent of the Parties that Natural Gas will only be considered delivered when it reaches the Delivery Point, and that any Natural Gas measured at the Metering Equipment that is not actually delivered to the Delivery Point will not be considered delivered and will not be charged to Buyer. In this regard, Buyer will not be charged for line fill or any losses or fuel used on the pipeline between the Metering Equipment and the Delivery Point. Also,

if Seller informs Seller about its intention to consume, due to any operational event, any quantity of Natural Gas stored in the pipeline that was not delivered to Buyer at the Delivery Point and, consequently, that was already measured by the Metering Equipment at the Seller Metering Station, Seller shall notify in writing Buyer of such circumstance. The Parties will resolve any material discrepancies resulting from Seller's consumption of Natural Gas under this <u>Clause 10.2(c)</u> in accordance with Clause 10.2(b).

10.3 Verification

The following guidelines shall be followed with regard to the verification of the Metering Equipment to be used in accordance with this Agreement:

- (a) At least once each month, and from time to time upon at least two weeks prior written notice by either Party to the other, Seller shall verify or cause to be verified the accuracy of the Metering Equipment. When as a result of such test the Metering Equipment is found to be out of calibration by no more than one percent (1%) when compared to the manufacturer's specifications for such equipment, no adjustment shall be made in the amount paid by Buyer to Seller.
- (b) If the testing of the Metering Equipment demonstrates that a meter is out of calibration by more than one percent (1%) when compared to the manufacturer's specifications for such equipment, the applicable Metering Equipment reading for the actual period during which out of calibration measurements were made shall be adjusted based on the methods stated in <u>Clause 10.2</u> above.
- (c) If the actual period that such equipment has been out of calibration cannot be determined to the mutual satisfaction of Seller and Buyer, the adjustment shall be for a period equal to one-half of the time elapsed since the most recent test. The previous payments made by Buyer to Seller for this period shall be subtracted from the amount of payments that are calculated to have been owed under this Agreement. The difference in US Dollars (which may be a positive or negative amount) shall be added to the next Monthly Invoice pursuant to Article XIII.
- (d) The cost of the monthly testing and calibration of the Metering Equipment described in this <u>Clause 10.3</u> shall be the responsibility of Seller. The cost of any testing and calibration of the Metering Equipment beyond the monthly test permitted in this <u>Clause 10.3</u> shall also be the responsibility of Seller, unless the request to test any of the Metering Equipment is made by Buyer and the results of such test requested by Buyer demonstrate that the Metering Equipment is less than one percent (1%) out of calibration, in which case the cost of such testing and calibration shall be for Buyer's account.
- (e) Each Party shall comply with any reasonable request of the other concerning the sealing of the Metering Equipment, the presence of a representative of Buyer when the seals are broken and tests are conducted, and other matters affecting the accuracy, testing and calibration of the Metering Equipment.

(f) If either Seller or Buyer believes that there has been a failure or stoppage of any of the Metering Equipment, it shall immediately notify the other Party.

10.4 Availability of Readings

At the end of each Month, Seller shall make available to Buyer all readings of the metering equipment as referenced in Clause 10.2(a).

10.5 Preservation of Records

Seller shall preserve or cause to be preserved for a period of at least three (3) years following the expiration of this Agreement all test data, charts, and other similar records regarding the measurement of Natural Gas delivered in accordance with this Agreement.

ARTICLE XI RISK AND INDEMNITY

11.1 Conversion Works.

- (a) Subject to the provisions of <u>Clause 11.2(b)</u>, Seller shall protect, defend, indemnify and hold harmless, the Buyer Group from and against any and all Claims and Losses by reason of damage to Third Party physical property, or for personal or bodily injury, or both, arising out of the performance of the Works or the Terms of Works to the extent such damage or injury is attributable to the negligence of Seller.
- (b) Subject to the provisions of <u>Clause 11.2(a)</u>, Buyer shall protect, defend, indemnify and hold harmless, the Seller Parties from and against any and all Claims and Losses by reason of damage to Third Party physical property, or for personal or bodily injury, or both, arising out of the performance of the Works or the Terms of Works to the extent such damage or injury is attributable to the negligence of Buyer.

11.2 Knock-for-Knock Release and Indemnities.

- (a) SELLER HEREBY WAIVES AND RELEASES, AND SELLER SHALL PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS, THE BUYER GROUP from and against any and all Claims and Losses by or of any Seller Group directly or indirectly arising out of, incident to, or in connection with (i) any bodily injury, illness or death of any member of Seller Group or (ii) the loss or destruction of any property owned by or in the possession of any member of Seller Group, arising out of or incident to the Works or activities contemplated by the Terms of Works.
- (b) BUYER HEREBY WAIVES AND RELEASES, AND BUYER SHALL PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS, THE SELLER GROUP from and against any and all Claims and Losses by or of any Buyer Group directly or indirectly arising out of, incident to, or in connection with



- (i) any bodily injury, illness or death of any member of Buyer Group or (ii) the loss or destruction of any property owned by or in the possession of any member of Buyer Group, arising out of or incident to the Works or activities contemplated by the Terms of Works.
- THE OBLIGATIONS OF, AND THE WAIVER GIVEN BY, EACH (c) PARTY PURSUANT TO THIS CLAUSE 11.2 (INCLUDING THE DEFINED TERMS "CLAIM" AND "LOSS") ARE INTENDED TO BE GIVEN FULL AND LITERAL EFFECT AND SHALL APPLY REGARDLESS OF THE CAUSE OF THE RELEVANT EVENT, CIRCUMSTANCE, CLAIM OR LOSS, EVEN THOUGH CAUSED IN WHOLE OR IN PART BY (i) A PRE-EXISTING CONDITION, RELEASE, EXPLOSION OR FIRE, (ii) THE SOLE, JOINT, CONCURRENT, ACTIVE OR PASSIVE NEGLIGENCE, GROSS NEGLIGENCE, BREACH OF DUTY (STATUTORY OTHERWISE), STRICT LIABILITY, OR OTHER LEGAL FAULT OF ANY PERSON, OR (iii) THE DEFECTIVE CONDITION OF VEHICLES, PREMISES OR OTHER PROPERTY OWNED, SUPPLIED, HIRED, CHARTERED OR BORROWED BY ANY PERSON, IN EACH CASE WHETHER PRECEDING OR DURING THE EXECUTION OF THIS AGREEMENT.
- 11.3 <u>Supply Period</u>. The following indemnities shall apply during the Supply Period to the fullest extent permitted under Applicable Law:

(a) Third Party Claims.

- (i) SELLER SHALL PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS THE BUYER GROUP from and against any and all Claims made by a Third Party in connection with any injury or death of persons and/or any damage to or loss of any property (excluding Natural Gas), in each case directly or indirectly arising out of, incident to, or in connection with, Seller's operation of the MFH Facility, TO THE EXTENT SUCH CLAIMS ARISE OUT OF THE NEGLIGENCE, STRICT LIABILITY OR WILLFUL MISCONDUCT OF SELLER.
- (ii) BUYER SHALL PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS THE SELLER GROUP from and against any and all Claims made by a Third Party in connection with any injury or death of persons and/or any damage to or loss of any property (excluding Natural Gas), in each case directly or indirectly arising out of, incident to, or in connection with, Buyer's operation of the San Juan Power Plant (including the Interconnection Facility and the SJ 5&6 Units), TO THE EXTENT SUCH CLAIMS ARISE OUT OF THE NEGLIGENCE, STRICT LIABILITY OR WILLFUL MISCONDUCT OF BUYER.
- (b) <u>Natural Gas</u>.



- (i) The Natural Gas to be sold by Seller and purchased by Buyer in accordance with this Agreement shall be delivered to Buyer at the Delivery Point. Title in Natural Gas, and the risk of loss or contamination of Natural Gas, shall pass from Seller to Buyer at the Delivery Point.
- (ii) SELLER SHALL PROTECT, DEFEND, INDEMNIFY, RELEASE AND HOLD HARMLESS THE BUYER GROUP from and against all Claims and Losses directly or indirectly arising out of, incident to, or in connection with (i) Third Party Claims of title to said Natural Gas or other charges thereon which attach before title passes to the Buyer, or (ii) environmental damage caused by any release, spill or explosion of Hazardous Materials associated with the Natural Gas before the Delivery Point (excluding, for the avoidance of doubt, any Claims or Losses for which Buyer is responsible pursuant to Clause 11.2).
- (iii) BUYER SHALL PROTECT, DEFEND, INDEMNIFY, RELEASE AND HOLD HARMLESS THE SELLER GROUP from and against all Claims and Losses directly or indirectly arising out of, incident to, or in connection with (i) Third Party Claims of title to said Natural Gas or other charges thereon which attach after title passes to the Buyer, or (ii) environmental damage caused by any release, spill or explosion of Hazardous Materials associated with the Natural Gas from and after the Delivery Point (excluding, for the avoidance of doubt, any Claims or Losses for which Seller is responsible pursuant to Clause 11.2).
- 11.4 <u>Notice and Defense</u>. Any Person indemnified hereunder will, as soon as practicable after receiving notice of any suit brought against it within this indemnity, furnish to the indemnifying Party the full particulars within its knowledge thereof and will render all reasonable assistance requested by the indemnifying Party in the defense of any Claims. Each indemnified party will have the right but not the duty to participate, at its own expense, with counsel of its own selection, in the defense and/or settlement thereof without relieving the indemnifying Party of any obligations hereunder; *provided, however*, that an indemnifying Party that has acknowledged its indemnity obligations with respect to any Claim will have control over the defense and settlement of such Claim, as long as the settlement does not impose any obligations on the indemnified parties.
- 11.5 Excluded Losses. Notwithstanding any other provision of this Agreement, (1) in no event shall either Party be liable to the other Party for (a) any indirect, special, incidental or consequential losses, damages, liabilities or expenses, (b) loss of profits or revenue; loss of use; loss of power; cost of replacement power; loss by way of shutdowns; costs of substitute facilities, goods or services; loss of opportunity or loss of goodwill, whether or not constituting losses, damages, liabilities or expenses contemplated by Clause 11.5(a), or (c) claims of upstream or downstream customers or service providers to either Party for any of the aforementioned categories of damages (collectively, "Excluded Losses") howsoever arising, (2) Seller waives and shall indemnify Buyer Group from and against Claims by members of Seller Group from and against Claims by members of Buyer Group or by any of its Financing Entities

for Excluded Losses, in each case, except to the extent that Seller's express remedies pursuant to <u>Article VII</u> or Buyer's express remedies pursuant to Article IX (including but not limited to any Back-up Fuel Cover Amounts) or Delay LDs as provided in <u>Clause 5.5</u> may be construed as constituting or compensating for Excluded Losses.

11.6 <u>Third Party Beneficiaries</u>. The provisions of this Agreement are intended for the sole benefit of Buyer and Seller and there are no third-party beneficiaries hereof, other than indemnitees pursuant to this <u>Article XI</u> and <u>Article 21</u> of Annex A, each of whom is hereby made a third party beneficiary to this Agreement, with direct enforcement rights against the relevant indemnitor, solely for the purpose of enforcing (or relying upon as a defense) the indemnification provisions under which it is a member of the indemnified group.

ARTICLE XII NATURAL GAS MANUFACTURING SURCHARGE

- 12.1 In addition to any other amounts that may become due from Buyer to Seller under this Agreement, Buyer shall pay to Seller, on a monthly basis during the Initial Contract Term, a manufacturing surcharge payment of \$833,333.34 (or \$416,666.67 per Unit) per calendar month (the "Natural Gas Manufacturing Surcharge"), for each of the sixty (60) calendar months of the Initial Contract Term, subject to Buyer's rights and obligations to pay the Discounted Surcharge Amount or Full Surcharge Amount, as the case may be, pursuant to Clause 12.3, Clause 17.4(b) and Clause 19.5. Buyer shall not have any obligation to pay the Natural Gas Manufacturing Surcharge in respect of a Unit unless and until Seller has achieved Substantial Completion of such Unit pursuant to Annex A and the other Firm Supply Conditions have been satisfied or waived by the Party(ies) entitled to so waive them. The Natural Gas Manufacturing Surcharge shall be payable by Buyer to Seller regardless of the quantity of Natural Gas that is delivered (or not delivered) by Seller during each calendar month of the Initial Contract Term (or the reasons therefor). The Natural Gas Manufacturing Surcharge will not apply to any Extension Terms.
- 12.2 The Natural Gas Manufacturing Surcharge is a reasonable and necessary current expense of making Natural Gas available.
- 12.3 At any time during the Initial Contract Term, Buyer may elect to pay the remaining Natural Gas Manufacturing Surcharge amounts due to Seller under this Agreement by providing ninety (90) Days' written notice of such election, which notice shall set forth the reasons underlying Buyer's election to repay the remaining Natural Gas Manufacturing Surcharge payments and Buyer's sources of funds with respect to the same regardless whether such funds are Buyer's own revenue from profit or operations, provided by any Governmental Authority (including the Federal Emergency Management Agency) or received from a Third Party in connection with an acquisition or private financing. If Buyer's funds to be used to repay the remaining Natural Gas Manufacturing Surcharge payments derive from Buyer's own revenue and profit from operations or funding provided by any Governmental Authority (including the Federal Emergency Management Agency), Buyer shall pay to Seller the amount specified in Exhibit D (the "Discounted Surcharge Amount") corresponding to the month in which Buyer makes such election. If the funds to be used by Buyer to prepay the remaining Natural Gas Manufacturing Surcharge

payments derive from any source other than Buyer's own revenue and profit from operations or funding provided by any Governmental Authority (including the Federal Emergency Management Agency), Buyer will be required to pay the full amount of all remaining payments of the Natural Gas Manufacturing Surcharge for each Unit that has achieved Substantial Completion, without applying any discount factor (including any Incremental Tax Adjustment, the "Full Surcharge Amount," and together with the Discounted Surcharge Amount, the "Natural Gas Manufacturing Discounted Payment"). Buyer shall be responsible for the amount of additional Taxes for which Seller becomes liable as a result of its receipt of the one-time lump sum Natural Gas Manufacturing Discounted Payment instead of monthly payments of the Natural Gas Manufacturing Surcharge. The amount of the difference (if any) in the Taxes Seller will pay upon receipt of the Natural Gas Manufacturing Discounted Payment as compared to the aggregate amount of Taxes that Seller would have paid (assuming then current rates of taxation) if all remaining payments of the Natural Gas Manufacturing Surcharge had been paid as and when due shall be added to the Natural Gas Manufacturing Discounted Payment (the "Incremental Tax Adjustment"). Upon Buyer paying the applicable Natural Gas Manufacturing Discounted Payment (including any Incremental Tax Adjustment) to Seller in full, Buyer shall have no further obligation to pay the Natural Gas Manufacturing Surcharge during the remainder of the Contract Term.

ARTICLE XIII INVOICING AND PAYMENT

- 13.1 Every month Seller shall invoice Buyer for the quantities in the Binding Monthly Schedule (as may be adjusted by <u>Clause 7.6</u>) for the previous calendar month plus any additional quantities Seller agreed to deliver pursuant to <u>Clause 7.4(a)(iv)</u>, and whatsoever other amounts that are owed for those items regulated in accordance with this Agreement and current regulations governing the provision of the services at any given time. Buyer certifies that the funds for the payments of Services rendered under this Agreement come from budgetary allocations. All payments made under this Agreement will be charged to Buyer's budget account number 1-2321-23215-000-000.
- 13.2 Seller shall prepare and shall give to Buyer by the tenth (10th) Day of each calendar month an invoice substantially in the form set forth in <u>Exhibit E</u> (the "Monthly Invoice"), which shall show in respect of the preceding calendar month the following information:
 - (a) The Fuel Price *multiplied by* the quantities in the Binding Monthly Schedule for such month;
 - (b) Any additional quantities Seller agreed to deliver pursuant to Clause 7.4(a)(iv) multiplied by the price applicable to such quantities;
 - (c) The amount of the Natural Gas Manufacturing Surcharge for such month;
 - (d) Any applicable Taxes due for payment by Buyer;



- (e) The proceeds from any Mitigation Sale or other sale of (or credit from) any Excess Nomination;
- (f) The amount of any Carryover Credit that, pursuant to <u>Clause 7.5(d)</u>, Buyer is entitled to apply to the applicable Monthly Invoice; and
- (g) The net amount payable by Buyer to Seller, which shall be (a) *plus* (b) *plus* (c) *plus* (d) *minus* (e) *minus* (f).

Buyer shall provide written notice to Seller of any irregularity in a Monthly Invoice submitted by Seller within five (5) working Days of Buyer's receipt thereof, failing which such Monthly Invoice will be deemed to have been properly prepared and submitted.

- 13.3 If, at the time Seller issues a Monthly Invoice, Buyer is not current on amounts due and payable to Seller under this Agreement pursuant to <u>Clause 13.7</u> in excess of One Million Dollars (\$1,000,000.00), the Fuel Price for the preceding calendar month set forth in such Monthly Invoice shall be calculated based on a Unit Cost that is equal to the Base Cost.
- 13.4 Subject to <u>Clause 13.10</u>, Buyer shall pay the amount to Seller due in accordance with such Monthly Invoice.
- 13.5 If Seller incurs a liability to Buyer for failing to deliver NG pursuant to <u>Article IX</u>, then Buyer shall send to Seller (following the end of the applicable month) an invoice and reasonable supporting documentation showing the amount payable by Seller in accordance with <u>Article IX</u>.
- 13.6 If any sums are due from one Party to the other Party, except for reasons addressed in <u>Clauses 13.1</u> and <u>13.5</u>, then the Party to which such sums are owed shall furnish to the other an invoice describing in reasonable detail the basis for the invoice and providing relevant supporting documentation.
- 13.7 In respect of any invoice issued pursuant to this <u>Article XIII</u>, Buyer or Seller, as the case might be, shall pay the amount due within thirty (30) Days after physical receipt of a properly submitted invoice.
- 13.8 Payment of amounts due to one Party from the other Party shall be made by wire transfer in immediately available funds into the bank account nominated from time to time by the Party to which the funds are owed. Each payment of any amount owing hereunder shall be for the full amount due, without reduction, withholding or offset for any reason (including any exchange charges, bank transfer charges or other fees or Taxes). Until further notice, the bank account for each Party is as follows:

SELLER: Bank Name: Scotiabank de Puerto Rico

Bank Account #: 071006094388

BUYER:

Intermediary Bank Name: Citibank, NY

Receiving Bank Name: Citibank, PR

Bank Account #: 10-99-1506

Beneficiary Bank Name: Citibank, PR

For Further Credit to: Puerto Rico Electric Power Authority

Bank Account #: 0-400015-015

Notwithstanding the foregoing, Seller shall request from Buyer wire instructions prior to transferring any funds to Buyer and shall provide Buyer bank confirmation upon completion of each such transfer.

13.9 If any Party fails to pay the other Party the full amount of any invoice due by the due date (a) such Party shall also pay interest thereon to the other Party for the period commencing from and including the due date until and including the Day when payment is made. Interest shall be calculated at the rate of the Prime Rate *plus* 200 basis points percentage rate per annum, but no greater than the maximum amount allowable by law, and (b) where Buyer is the defaulting Party, Seller may suspend Natural Gas deliveries until the relevant amount is paid in full.

13.10 If a Party disagrees in good faith with any invoice, such Party shall pay the full amount invoiced or so stated by the due date thereof and shall immediately notify the other Party of the reasons for its disagreement. An invoice may be contested by the Party that received it, or modified by the Party that sent it, by written notice delivered to the other Party within a period of one hundred eighty (180) Days after such receipt or sending, as the case may be. If no such notice is served within such period of one hundred eighty (180) Days, such invoice shall be deemed correct and accepted by both Parties. Promptly after resolution of any Dispute as to an invoice, the amount of any overpayment or underpayment shall be paid by Seller or Buyer, as the case may be, to the other Party, together with interest thereon at the rate provided in Clause 13.10 from the date payment was due to the date of payment.

- 13.11 On or before the Commissioning Start Date, Seller shall procure the delivery to Buyer of a payment guarantee, which shall in no event exceed Thirty Million Dollars (\$30,000,000.00) issued by Seller's Parent to Buyer, in the form set forth in Exhibit I.
- 13.12 Invoices under this Agreement shall be delivered to the following addresses and deemed received on the date (a) personally delivered to the respective party or (ii) receipt is evidenced by certified or registered mail:

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SELLER:

NFEnergía LLC

c/o New Fortress Energy

700 NW 1st Avenue, Suite 700 Miami, FL 33030

Attention:

Accounts Payable

Email:

accountspayable@newfortressenergy.com

BUYER:

Autoridad de Energía Elétrica de Puerto Rico

Apartado 363928

San Juan, Puerto Rico 00936-3928

and

Autoridad de Energía Elétrica de Puerto Rico

Ave. Ponce de León # 110 Pda. 17 ½ Edificio NEOS, Piso 8, Ofic. 802 Santurce, Puerto Rico 00907-3802

Attention:

Edwin Barbosa, Fuel Office Administrator

E-mail:

Edwin.barbosa@aeepr.com

ARTICLE XIV DUTIES, TAXES AND CHARGES

Each of Seller and Buyer shall be responsible for the payment of all taxes, fees, levies, royalties, duties, penalties, licenses, and other charges imposed by any Governmental Authority ("Taxes") which it incurs and for which it is legally responsible for as a result of complying with this Agreement and which correspond to such Party under all applicable tax regulations and laws in force at the Effective Date and throughout the Contract Term in each of the jurisdictions relevant to this Agreement connected to the Parties. If a Party is required to remit or pay Taxes that are the other Party's responsibility hereunder, the Party responsible for such Taxes shall promptly reimburse the other Party for such Taxes. Any Party entitled to an exemption from any such Taxes or charges shall furnish the other Party any necessary documentation thereof. Buyer shall cooperate and use commercially reasonable efforts to provide to Seller such information and execute and deliver such documents reasonably requested, to the extent not otherwise detrimental to Buyer, in connection with Seller's efforts to obtain any available tax exemptions and/or incentives under applicable tax regulations and laws in force at the Effective Date and throughout the Contract Term.

- 14.1 For the avoidance of doubt and notwithstanding the above:
 - (a) Seller represents and warrants that it is the importer of record for all Natural Gas delivered hereunder, and shall be responsible for entry and entry summary filings as well as the payment of associated duties, Taxes and fees, if any, and all applicable record keeping requirements.

- (b) Buyer shall pay or cause to be paid all Taxes imposed by any Governmental Authority after the Delivery Point on the sale, use, or purchase of Natural Gas delivered to Buyer under this Agreement (and on any LNG from which such Natural Gas is derived) and its transportation within the territory of Puerto Rico after the Delivery Point; provided that at all times Seller shall be responsible for the payment of all and any Corporate Tax payable in Puerto Rico in connection with this Agreement; and
- (c) Seller shall pay or cause to be paid all Taxes imposed by any Governmental Authority on or with respect to Natural Gas delivered to Buyer under this Agreement (and on any LNG from which such Natural Gas is derived) prior to the Delivery Point and all Taxes at the Delivery Point.

ARTICLE XV FORCE MAJEURE

15.1 Neither Seller nor Buyer shall be liable for any failure to perform or for omission or delay in the performance of any of its obligations under this Agreement, other than the obligation to make payments of money when due, if and to the extent that the affected Party's performance is prevented, delayed or interfered with by an act, event or circumstance, or combinations of events or circumstances, whether of the kind described herein or otherwise, that is not reasonably within its control, such Party having acted as a Reasonable and Prudent Operator and which effects could not be prevented or overcome by the exercise of due diligence ("Force Majeure").

For the avoidance of doubt, provided that the requirements set out in the preceding paragraph are met, events of Force Majeure shall include but not be limited to the following:

- (a) loss of, serious accidental damage to, inaccessibility or incapacity of, or inoperability of the relevant loading terminal or upstream facilities affecting an LNG cargo and source indicated in the LNG Delivery Plan. The "LNG Delivery Plan" shall mean the indicative LNG cargo scheduling programme submitted by Seller to Buyer, solely for the purposes of this Clause 15.1(a), not later than 30 Days prior to the commencement of each Contract Year and which shall include for each LNG cargo the expected source. Seller shall inform Buyer of any modifications to the sources indicated in the LNG Delivery Plan, provided that Seller shall not at any time nominate any source that is affected by Force Majeure or that is affected by any event that could reasonably lead to a claim of Force Majeure relief under this Agreement.
- (b) loss of, serious accidental damage to, inaccessibility or incapacity of, or inoperability of an LNG Ship requiring her removal from service, which removal prevents Seller from delivering LNG to the MFH Facility;
- (c) loss of, serious accidental damage to, inaccessibility or incapacity of, or inoperability of the MFH Facility;

- (d) loss of, serious accidental damage to, inaccessibility or incapacity of, or inoperability of the SJ 5&6 Units; provided that if an event of Force Majeure affects only one of SJ 5&6 Units, but not both, the affected Party shall only be released from its obligations under this Agreement with regard to the unit affected by the event of Force Majeure;
- (e) without prejudice to the obligations of Seller set forth in <u>Clause 3.5</u> (which shall not be relieved in the event of a Force Majeure event of the type described in this <u>Clause 15.1(e)</u>), any act or omission of a Governmental Authority of the United States of America (including any Puerto Rican Governmental Authority), including refusal or failure to issue, delay in issuing, or amendment, revocation or suspension of, any Permit; and
- (f) any act of God, lightning, storm, typhoon, hurricane, tornado, earthquake, fires, floods, tsunami, landslide, soil erosion, subsidence, washout, shipwreck, navigational and maritime perils, acts of any Governmental Authority or compliance with such acts; explosions, acts of the public enemy, wars (whether declared or undeclared), terrorism or threat thereof, civil war, piracy, civil and military disturbances, strikes, blockades, insurrections, riots, epidemics and quarantine restrictions; strike, lockout or other industrial disturbances involving an enterprise other than a Party, its transporter or its agents or sub-contractors in connection with its performance of this Agreement; radioactive contamination or ionising radiation; or breakdown or unavailability of port facilities or port services (including the channel, tugs or pilots).
- 15.2 Notwithstanding the foregoing provisions of <u>Clause 15.1</u>, the following shall not be events of Force Majeure:
 - (a) events arising out of market decline, market failure, industry economic conditions, or general economic conditions;
 - (b) where Buyer is the affected Party, any delay in achieving the Buyer Firm Supply Condition, unless such delay is caused by an event of Force Majeure;
 - (c) where Seller is the affected Party, any delay in achieving the Seller Firm Supply Condition, unless such delay is caused by an event of Force Majeure;
 - (d) the failure by a Party to obtain or the withdrawal of any authorization, approval, permit or permission of any Governmental Authority, because the Party claiming Force Majeure failed to act as a Reasonable and Prudent Operator in connection with its efforts to obtain or maintain such authorization, approval, permit, or permission;

provided, however, that the failure to obtain any authorization, approval, permit or permission of any Governmental Authority that is required in order to satisfy the Firm Supply Conditions shall under no circumstances be considered Force Majeure.

- 15.3 In the event of any failure or delay of a Party's performance due to the occurrence of a Force Majeure event, the affected Party shall use commercially reasonable efforts (acting as a Reasonable and Prudent Operator) to resume as soon as possible full performance of its obligations under this Agreement, provided that the settlement of strikes or boycotts, lockouts or other industrial disputes, or obstructive action by organizations or local inhabitants, shall be entirely within the discretion of the Party concerned.
- 15.4 A Party intending to seek relief under this <u>Article XV</u> shall as soon as reasonably practicable after it becomes aware of the occurrence of a Force Majeure event:
 - (a) notify the other Party of the occurrence of an event that it considers may subsequently lead it to claim Force Majeure relief under this Agreement, describing such event, in as much detail as is then reasonably available, and the obligations, the performance of which has been or could be delayed, hindered or prevented thereby, and the estimated period during which such performance may be suspended or reduced, including (to the extent known or ascertainable) the estimated extent of such suspension or reduction in performance; the obligations which could or have been actually delayed or prevented in performance and the estimated period during which such performance may be suspended or reduced, including (to the extent know or ascertainable) the estimated extent of such suspension or reduction in performance;
 - (b) give a bona-fide good faith estimate of when it shall be able to resume full performance of its obligations; and
 - (c) give the particulars of the programme to be implemented, if any, to resume full performance hereunder subject to any Third Party confidentiality obligations.

Such notices shall thereafter be supplemented and updated at reasonable intervals during the period of such Force Majeure, specifying the actions being taken to remedy the circumstances causing such Force Majeure and the date on which such Force Majeure is expected to terminate.

- 15.5 If any Party claims relief under this <u>Article XV</u>, it shall allow reasonable access to the other Party, upon such other Party's written request, to examine the scene of such event or circumstance which gave rise to the Force Majeure claim, provided that the Party not claiming relief under this <u>Article XV</u> shall bear the cost, expense and risk of examining such site.
- 15.6 Where an act, event or circumstance prevents, impedes or delays a Party's performance hereunder, even if such act, event or circumstance primarily affects a Third Party or Third Parties, it shall constitute Force Majeure hereunder as to Seller or Buyer, as appropriate, if and to the extent that it is of a kind or character that, if it had happened to a Party, would have come within the definition of Force Majeure under this <u>Article XV</u>.
- 15.7 Force Majeure takes effect at the moment a Force Majeure event occurs, not upon giving notice. A Party whose performance is excused by Force Majeure shall not be



required, during the period in which the circumstances of the Force Majeure event are continuing, to incur uneconomic cost, make additional investments in new facilities, or bring into production existing or potential reserves not already flowing in support of this Agreement.

- 15.8 If Seller is rendered wholly or partially unable to deliver NG under this Agreement as a result of a Force Majeure event claimed only by Buyer, Seller shall have the right to enter into binding contracts with Third Parties to sell and deliver LNG that is not reasonably expected to be needed by Seller to meet its obligations to Buyer hereunder based on the expected extent and duration of such Force Majeure as notified by Buyer.
- 15.9 If the Force Majeure event lasts for a period such that the affected Party shall be prevented from or delayed in performing its obligations hereunder for a period of three hundred and sixty five (365) consecutive Days (or, where the affected Party is not using commercially reasonable efforts to overcome the relevant Force Majeure (which the affected Party must show by providing a weekly report to the non-affected Party describing its efforts to overcome such Force Majeure), one hundred and eighty (180) consecutive Days) or more from the date on which the Force Majeure event first occurred, the Party not claiming Force Majeure shall have the right to terminate this Agreement without liability to either Party by giving written notice to the either Party.

ARTICLE XVI REPRESENTATIONS, WARRANTIES AND LIABILITIES

- 16.1 Each Party hereby represents and warrants to the other Party that, as of the Effective Date:
 - (a) With regard to Seller it is a corporation or limited liability company duly formed, validly existing and in good standing under the laws of the state and/or country of its incorporation or organization, and is duly qualified to do business in, and is in good standing in, all other jurisdictions where the nature of its business or nature of property owned by it makes such qualification necessary.
 - (b) With regard to Buyer it 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 do business in, and is in good standing in, all other jurisdictions where the nature of its business or nature of property owned by it makes such qualification necessary.
 - (c) With regard to Buyer, all necessary consents and approvals required by Applicable Law (including PROMESA) from any relevant Governmental Authority (including, as an example, the Oversight Board, the Puerto Rico Fiscal Agency and Financial Advisory Authority, and Buyer's Governing Board) (the "Required Consents") to all of the terms and conditions of this Agreement have been obtained prior to the Effective Date.



- (d) With regard to Buyer, all amounts payable to Seller under this Agreement are "Current Expenses" as defined in the Trust Agreement and are reasonable and necessary expenses related to the maintenance, repair and operation of the SJ 5&6 Units, and are consistent with standard practices for public utility systems and with Buyer's standard business operations performed in maintaining and operating its system.
- (e) Such Party has all requisite power and authority to conduct its business, to own or lease and operate its properties, and to execute, deliver, and perform its obligations under this Agreement.
- (f) The execution, delivery and performance by such Party of this Agreement has been duly authorized by all necessary corporate action on the part of such Party and do not (i) require any consent or approval of any Governmental Authority, such Party's governing body or any other Person, other than those that have been obtained, or the failure to obtain, of which would not have, or could not reasonably be expected to have, a material adverse effect on such Party's ability to perform its obligations hereunder, (ii) violate any provision of such Party's Articles of incorporation or by-laws, or other organizational documents, or any Applicable Law in effect, or (iii) result in a breach of or constitute a default under such Party's organizational documents or other material indentures, contracts or agreements to which it is a part or by which it or its properties may be bound.
- (g) This Agreement is a legal, valid, and binding obligation of such Party enforceable against such Party, as appropriate, in accordance with its terms.
- 16.2 Seller warrants that it has good title to or good right to, all NG delivered hereunder and that all NG delivered to Buyer at the Delivery Point shall be free and clear of all liens, security interests, charges, assessments encumbrances and adverse claims whatsoever. Seller makes no representation or warranty, written or oral, express or implied that the NG will be fit for a particular purpose, or will be of merchantable quality, and all such representations and warranties are expressly excluded to the fullest extent permitted by law, but nothing in this <u>Clause 16.2</u> affects the requirement that all NG delivered to Buyer under this Agreement will meet the Specifications of <u>Article IV</u>.
- 16.3 Seller shall take, or cause to be taken, all necessary actions to start NG deliveries from the first Day of any Transitional Supply Period and the first Day of the Firm Supply Period including the design and construction of any facility or its elements situated upstream of the Delivery Point.
- 16.4 Buyer shall take, or cause to be taken, all necessary actions to commence taking delivery of NG from the first Day of any Transitional Supply Period and the first Day of the Firm Supply Period including the design and construction of any facility or its elements situated downstream of the Delivery Point other than the Works.
- 16.5 Seller's sole and exclusive liability, and Buyer's sole and exclusive remedy, for failure by Seller to deliver Natural Gas in accordance with this Agreement will be limited



to the payment of the amounts detailed in <u>Article IX</u>, subject only to the additional remedies available to Buyer in the circumstances described in <u>Clause 5.5</u> and <u>Clause 19.1(b)(ii)</u>.

ARTICLE XVII ASSIGNMENT

- 17.1 Except as provided in <u>Clauses 17.2</u>, <u>17.3</u>, <u>17.4</u> and <u>17.5</u>, neither Party may assign any of its rights or delegate any of its obligations under this Agreement to a Third Party without the prior written consent of the other Party. Any purported assignment of a Party's rights or obligations hereunder in contravention of this <u>Article XVII</u> shall be null and void and shall have no force or effect.
- 17.2 Notwithstanding the foregoing, Seller shall be entitled to assign, or as appropriate, delegate, all, but not part, of its rights and obligations under this Agreement to an Affiliate by providing notice to Buyer, provided that subsequent to any assignment or delegation made pursuant to this <u>Clause 17.2</u>, Seller and each subsequent assignee or delegate, having itself assigned or delegated to an Affiliate, shall be fully liable under this Agreement in the event of non-fulfilment of its obligations under this Agreement by an assignee or delegate.
- 17.3 Notwithstanding the foregoing provisions of this Article XVII, and without the prior written consent of Buyer but subject to Seller's written notification to Buyer, Seller may assign (a) its rights to payment under this Agreement to a trust, trustee, bank, paying agent, financial entity or other Person or company for the purposes of any bona fide financing or in order to facilitate the making of any such payment, and (b) any of Seller's rights under this Agreement to any lender or lender's agent as security for its obligations to any such lender under any such financing.
- 17.4 Buyer shall not effect a Change of Control of Buyer or transfer ownership of all or any part of the SJ 5&6 Units, other than in compliance with the terms of this <u>Clause 17.4</u>:
 - (a) Buyer shall give Seller at least sixty (60) Days' prior written notice of any proposed transfer of the SJ 5&6 Units or Change of Control of Buyer, which notice shall set forth the proposed transferee, the transaction or transactions giving rise to the transfer or Change of Control, and any performance assurance or credit support that such transferee proposes to provide in connection with the obligations under this Agreement.
 - (b) Notwithstanding anything in this <u>Clause 17.4</u> to the contrary, without the prior written consent of Seller, Buyer shall not (i) assign this Agreement to any Person who does not have direct and exclusive ownership of, or the obligation to operate and maintain, the SJ 5&6 Units or (ii) assign this Agreement or effect a Change of Control to any Person whose creditworthiness is worse than the expected creditworthiness of Buyer at the time of such assignment (giving effect to the transaction contemplated at the time of such assignment). Whether or not Seller's consent to an assignment by Buyer or Change of Control affecting Buyer is required, it is a condition precedent to the effectiveness of any proposed assignment

by Buyer of this Agreement or proposed Change of Control affecting Buyer that Buyer has first paid to Seller (x) all amounts properly invoiced by Seller to Buyer hereunder prior to the proposed date of such assignment or Change of Control (other than any amounts (except any amounts constituting the Full Surcharge Amount) that are the subject of an ongoing dispute validly asserted by Buyer pursuant to Clause 13.10 prior to the date Buyer was notified of such assignment or Change of Control), regardless of whether the due date for payment of such invoices has occurred and (y) the Full Surcharge Amount. Any purported assignment made in the absence of such payments having been made shall be void ab initio.

- 17.5 Seller shall not effect a Change of Control of Seller or transfer direct ownership of the MFH Facility, other than in compliance with the terms of this <u>Clause 17.5</u>:
 - (a) Seller shall give Buyer at least sixty (60) Days' prior written notice of such transfer of the MFH Facility, which notice shall set forth the proposed transferee, the transaction or transactions giving rise to the transfer or Change of Control, and any performance assurance or credit support that such transferee proposes to provide in connection with the obligations under this Agreement.
 - (b) Notwithstanding anything in this <u>Clause 17.5</u> to the contrary, but except to the extent otherwise permitted pursuant to <u>Clause 17.2</u> or <u>Clause 17.3</u>, without the prior written consent of Buyer, Seller shall not assign this Agreement or effect a Change of Control to any Person whose creditworthiness is worse than the expected creditworthiness of Seller at the time of such assignment (giving effect to the transaction contemplated at the time of such assignment). Whether or not Buyer's consent to an assignment by Seller or Change of Control affecting Seller is required, it is a condition precedent to the effectiveness of any proposed assignment by Seller of this Agreement or proposed Change of Control affecting Seller that Seller has first paid to Buyer (x) all amounts invoiced by Buyer hereunder prior to the proposed date of such assignment or Change of Control (other than any amounts that are the subject of an ongoing dispute validly asserted by Seller pursuant to <u>Clause 13.10</u> prior to the date Seller was notified of such assignment or Change of Control), regardless of whether the due date for payment of such invoices has occurred.

ARTICLE XVIII SUBCONTRACTORS

Seller shall not subcontract its rights and obligations under this Agreement, except in the event Buyer gives written authorization for such actions; provided that no subcontract shall be considered for Buyer's approval, except when the following requirements are met: (1) Seller delivers Buyer a copy of the subcontract, not less than thirty (30) days prior to the effective date of the proposed subcontract; (2) the subcontract includes, as a condition for its legal validity and enforceability, a provision whereby Buyer has the right to substitute, subrogate or assume Seller's rights under the subcontract, in the event that Buyer declares Seller in breach or default of any of the Agreement terms and conditions; and (3) the subcontract includes, as a condition for its validity

and enforceability, a provision establishing for the subcontractor the obligation to comply unconditionally and entirely with all Seller's obligations under the Agreement (mirror image rule), except for such obligations, terms and conditions which exclusively related with works or services not included under the subcontract.

ARTICLE XIX TERMINATION

- 19.1 This Agreement may be terminated if any of the following circumstances occur:
 - (a) the mutual agreement of the Parties;
 - (b) if a Termination Event on the part of either Party (the "**Defaulting Party**") has occurred, the other Party (and in the case of paragraph (ii) below, Buyer only) may at any time after which such Termination Event has occurred or during which such Termination Event is otherwise continuing, terminate this Agreement by giving written notice of termination to the Defaulting Party in accordance with this <u>Article XIX</u>, with such termination to take effect as from and including the date of such notice. The following shall each constitute a termination event (a "**Termination Event**"):
 - (i) if any undisputed amount in excess of One Million Dollars (\$1,000,000.00) payable by the Defaulting Party under this Agreement has not been paid in full by the due date for the payment of the relevant invoice and the other Party has (after such due date) given notice to the Defaulting Party requiring payment of such amount and the amount has not been paid in full within ten (10) Business Days after the date of such notice;
 - (ii) in the case of Seller as the Defaulting Party:
 - (A) Seller abandons performance of all of its obligations under the Agreement and does not take material steps to recommence such performance within seven (7) days of written notice from Buyer that it believes Seller has so abandoned;
 - (B) the Commissioning Start Date does not occur by the Guaranteed First Gas Long-Stop Date; or
 - (C) Substantial Completion does not occur by the Guaranteed Substantial Completion Date; *provided, however*, that if, prior to the Guaranteed Substantial Completion Date, Substantial Completion occurs for one Unit but not the other Unit, the Agreement may only be terminated with respect to the Unit for which Substantial Completion has not occurred and shall remain in full force and effect with respect to the Unit that achieved Substantial Completion (it being agreed that in such circumstances the Natural Gas volume

requirements under this Agreement shall be reduced by fifty percent (50%) on account of such termination).

- (iii) if the Defaulting Party is unable to pay, suspends payment of, or agrees to a moratorium (or threatens any of the foregoing with respect to all or a material part of its debts), makes a general assignment or any composition or compromise with or for the benefit of its creditors except to the extent otherwise permitted by this Agreement, takes any proceedings with view to a readjustment, rescheduling or deferral of all or a substantial part of its indebtedness (other than in the case of a refinancing, but the commencement and pendency of the Title III Case shall not be considered a Termination Event, except that if any order has been entered by the Title III Court or any other Governmental Authority providing for the appointment of a receiver, custodian, or similar fiduciary for Buyer or any material portion of its property, the entry of any such order shall be considered a Termination Event);
- (iv) if any order is made, or a petition is presented and not withdrawn within a period of twenty-one (21) Days, for the winding-up, liquidation, dissolution, custodianship or administration (or any equivalent proceedings) of the Defaulting Party; or
- (v) if (A) Seller has not satisfied the SJ 6 First Gas Requirements by December 31, 2019, (B) from and after such date, Buyer is purchasing Back up Fuel Quantities and (C) Seller is not current pursuant to <u>Clause 13.7</u> on payments to Buyer of Back-up Fuel Cover Amounts due and payable, the Buyer may terminate this Agreement by providing thirty (30) Days' prior written notice;

provided, however, that if the circumstances of such Termination Event are cured by the Defaulting Party within the notice period (if any) provided for such Termination Event, such termination notice shall be deemed withdrawn and this Agreement shall not terminate.

19.2 On and at any time after the occurrence of a Termination Event, any Party not subject to such Termination Event may, while such Termination Event subsists, by giving five (5) Days written notice of its intentions to the Defaulting Party, suspend performance of its obligations under this Agreement. Where the Defaulting Party is Buyer, any such suspension by Seller shall not constitute a failure by Seller to make quantities of NG available for sale and delivery pursuant to the terms of this Agreement during such period of suspension, and Buyer shall have no rights in respect of such suspended deliveries during such period of suspension. Where the Defaulting Party is Seller, any such suspension by Buyer shall not constitute a failure by Buyer to take delivery of quantities of NG pursuant to the terms of this Agreement during such period of suspension, and Seller shall have no rights in respect of such suspended deliveries during such period of suspension. If such Termination Event is remedied thereafter (including, with respect to any late payments, payment in full of any such outstanding amounts together with interest thereon), prior to



the exercise of rights under <u>Clause 19.3</u> the notice of suspension served under this <u>Clause 19.2</u> shall be deemed to be revoked automatically.

- 19.3 The termination of this Agreement under this <u>Article XIX</u> for any reason shall be without prejudice to the rights and remedies of the terminating Party accrued prior to such termination under this Agreement, including in respect of any antecedent breach (whether or not a repudiatory breach) giving rise to such termination. For the avoidance of doubt, neither Party will be liable to pay any termination payment upon termination of this Agreement other than in respect of liabilities accrued prior to the date of termination.
- 19.4 To the fullest extent permitted under Applicable Law, each Party hereby irrevocably waives any right it might otherwise have, for any reason, to equitable rescission of this Agreement.
- 19.5 Notwithstanding any other provision of this Agreement to the contrary, upon (a) termination of this Agreement by either Party (including pursuant to this <u>Article XVIII</u>, <u>Clause 15.9</u>, <u>Article XXXII(c)</u> and including where Seller is the Defaulting Party) or by order of any Governmental Authority or (b) rejection of this Agreement pursuant to PROMESA in the Title III Case, (i) the Full Surcharge Amount (including any Incremental Tax Adjustment) and (ii) all other amounts that are owed pursuant to this Agreement with respect to obligations performed prior to the date of such termination, in each case, shall automatically become a debt due and payable by Buyer to Seller (and capable of being set off by Seller against any amount owed by Seller to Buyer under this Agreement, including in connection with the termination); *provided, however*, that if the Agreement is terminated pursuant to <u>Clause 19.1(b)(ii)(A)</u>, Seller shall not be entitled to payment of the Full Surcharge Amount.

ARTICLE XX NOVATION

Buyer and Seller expressly agree that no amendment or change order which could be made to this Agreement, during its term, shall be understood as a contractual novation, unless both Parties agree to the contrary, specifically and in writing. The previous provision shall be equally applicable in such other cases where Buyer gives Seller a time extension for the compliance with any of its obligations under this Agreement or where Buyer dispenses the claim or demand of any of its credits or rights under the Agreement.

ARTICLE XXI CHANGE IN LAW

During the term of this Agreement, any change in law, including, but not limited to changes in applicable tax law, which causes an increase in Seller's costs when supplying the products or services to be acquired by Buyer, shall be Seller's responsibility and Buyer shall not be obliged to make additional payments nor to pay additional sums to the price or canon originally agreed for those products or services.

ARTICLE XXII APPLICABLE LAW

This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico and, to the extent applicable, the laws of the United States of America, excluding any choice-of-law provisions that would require application of the laws of a different jurisdiction. The United Nations Convention on Contracts for the International Sale of Goods (the Vienna Sales Convention 1980) and the Convention on the Limitation Period in the International Sale of Goods shall not apply to this Agreement or to the performance thereof or to any aspect of any Dispute arising therefrom.

ARTICLE XXIII RESERVED

ARTICLE XXIV SETTLEMENT OF DISPUTES

24.1 Exclusive Jurisdiction

- (a) Any claim, dispute, disagreement or controversy (each, a "**Dispute**") that arises between the Parties under this Agreement or that is otherwise related to the subject matter of this Agreement, except for those Disputes to be resolved through Expert determination pursuant to <u>Clause 24.2</u> below, shall be resolved exclusively in the Federal District Court for the District of Puerto Rico.
- (b) In the event of such Dispute, each Party shall continue performing its obligations hereunder except to the extent such obligations have been properly suspended pursuant to the terms hereof. For the avoidance of doubt, Buyer shall continue paying undisputed amounts due under Article XIII.

24.2 Expert Determination

Any Dispute that arises between the Parties with respect to (i) the determination of quality under <u>Article IV</u>, or (ii) <u>Article X</u> may be referred by either Party to an Expert for such Expert's determination of such Dispute, disagreement or other matter of interpretation in accordance with the following guidelines:

- (a) The Parties hereby agree that such determination shall be conducted expeditiously by an Expert selected unanimously by the Parties.
- (b) The Expert shall not be deemed to be acting in an arbitral capacity.
- (c) The Party requesting that any matter arising under <u>Article IV</u> or <u>Article X</u> of this Agreement be referred to an Expert shall give the other Party notice of such request. If the Parties are unable to agree on the identity of an Expert within ten (10) Days after receipt of the notice of request for an Expert determination, then, upon the request of any of the Parties, the International Centre for Expertise of the

International Chamber of Commerce shall appoint such Expert and shall administer such Expert determination through the ICC's Rules for Expertise.

- (d) The Expert shall be and remain at all times wholly impartial as between the Parties, and, once appointed, the Expert shall have no *ex parte* communications with either of the Parties concerning the Expert determination or the underlying Dispute.
- (e) The Expert procedure shall take place in San Juan, Puerto Rico in English.
- (f) Both Parties agree to cooperate fully in the expeditious conduct of such Expert determination and to provide the Expert with access to all facilities, books, records, documents, information and personnel necessary to make a fully informed decision in an expeditious manner.
- (g) Before issuing a final decision, the Expert shall issue a draft report and allow the Parties to comment on it.
- (h) The Expert shall endeavor to resolve the Dispute within thirty (30) Days (but no later than sixty (60) Days) after his appointment, taking into account the circumstances requiring an expeditious resolution of the Dispute.
- (i) The Expert's decision shall be final and binding on the Parties.

24.3 Qualification of Experts

- (a) No Person, without the prior written agreement of the Parties, shall be appointed as an Expert pursuant to Clause 24.2 if such Person:
 - (i) is (or has been at any time within ten years preceding notice of the Dispute) an employee of a Party or of an Affiliate of a Party;
 - (ii) is (or has been at any time within five years preceding notice of the Dispute) a consultant or contractor of a Party or of an Affiliate of a Party;
 - (iii) holds any significant financial interest in a Party; or
 - (iv) does not have at least ten years' experience advising or working in the North American NG industry with respect to the subject matters subject to the Expert's determination under Clause 24.2
- (b) The Parties shall, within two months after the Effective Date, agree on a list of possible Experts for purposes of <u>Clause 24.2</u>; provided, however, that in the event that the Parties are unable to agree on a list of acceptable Experts, then in the event of a Dispute subject to Expert determination pursuant to <u>Clause 24.2</u> the Expert shall be appointed by the International Centre for Expertise of the International Chamber of Commerce in accordance with Clause 24.2.



ARTICLE XXV NON-WAIVER

Delay or failure to exercise any right, power or remedy accruing to any Party as the result of any breach or default hereunder shall not impair any such right, power or remedy, nor shall it be construed to be a waiver of any such breach or Default.

ARTICLE XXVI CONFIDENTIALITY

- Any information directly or indirectly disclosed or furnished, whether orally, in writing or in electronic, digital or any other form, by either Party (or its representatives, employees, directors, officers, agents or Affiliates) (the "Disclosing Party") to the other Party (or its representatives, employees, directors, officers, agents or Affiliates) (the "Receiving Party") in connection with this Agreement (or in connection with the terms and conditions or the negotiation of any other agreement or document related to this Agreement or to is subject matter either between the Parties or otherwise) which is not:
 - (a) already known to the Receiving Party; or
 - (b) already in the public domain (other than in violation of the terms of this Clause 26.1),

such information being "Confidential Information," shall, unless otherwise agreed in writing by the Parties, be kept confidential and shall not be sold, traded, published or otherwise disclosed to any Third Party in any manner whatsoever (except as provided in Clause 26.2) by the Receiving Party. For the avoidance of doubt, the terms of this Agreement may be made public pursuant to Applicable Law.

- 26.2 The Receiving Party may disclose Confidential Information to the following Persons without the consent of the Disclosing Party:
 - (a) To the Receiving Party's and its Affiliates' directors, agents and employees;
 - (b) to the Receiving Party's lenders and prospective lenders for the sole purpose of obtaining finance based on this Agreement;
 - (c) to the Receiving Party's advisors and consultants, including legal counsel, accountants and other agents of the Receiving Party for purposes connected with this Agreement;
 - (d) to Third Parties on an aggregated basis to the extent such information is delivered to such Third Party for the sole purpose of calculating a published index;
 - (e) to Experts and any court in connection with the resolution of a Dispute;
 - (f) to co-shareholders and partners in upstream and downstream projects, any operator of Seller's facilities and any other relevant Third Parties, in all cases



- limited (i) only to operational information; and (ii) to the extent strictly necessary to implement this Agreement;
- (g) to any insurer in connection with a policy of insurance required pursuant to this Agreement;
- (h) to any lender or potential lender and to any employee, representative or advisor of such Person;
- (i) to those contractor(s) that Seller retains or proposes to retain to perform any of Seller's obligations hereunder; or
- (j) to any Governmental Authority or financial markets to the extent required or advisable in connection with any future financing activity related to Seller.
- 26.3 The Receiving Party disclosing Confidential Information pursuant to <u>Clause 26.2</u> to a Person identified in <u>Clause 26.2(b)</u> to <u>26.2(f)</u> shall ensure that such Person undertakes to hold such Confidential Information subject to confidentiality obligations equivalent to those set out in <u>Clause 26.1</u> (excluding legal counsel). Each Party understands that the Receiving Party, and Persons, listed in <u>Clause 26.2(a)</u>, (b) or (c) may now or in the future work on similar projects, and the Parties agree that, without prejudice to the other provisions in this <u>Article XXVI</u>, such Persons shall not be precluded from working on such other projects because they have reviewed any Confidential Information.
- 26.4 In the event that disclosure is required by any Governmental Authority or Applicable Law and such disclosure is not of the kind permitted pursuant to <u>Clause 26.2(j)</u>, the Receiving Party subject to such requirement may disclose the Confidential Information to the extent so required, but shall promptly notify the Disclosing Party of such disclosure prior to so doing, and shall cooperate (consistent with the Receiving Party's legal obligations) with the Disclosing Party's efforts to obtain protective orders or similar restraints with respect to such disclosure at the expense of the Disclosing Party. Notwithstanding the foregoing, Seller acknowledges that <u>Clauses 26.4</u> and <u>26.5</u> shall not apply to any requirements applicable to Buyer to disclose any Confidential information that Buyer is required to disclose as a public entity under Applicable Law.
- 26.5 No press release or public statement concerning the existence, execution of, or other matters directly related to, this Agreement, or the transactions contemplated hereby, shall be issued by the representatives, directors, officers, agents or employees of either Party or its Affiliates unless otherwise agreed by the Parties in writing. In the case of any such press release or public statement, the Parties shall first consult and agree to the specific contents and the manner or timing of presentation or publication thereof. The foregoing shall not apply to any announcement by a Party required in order to comply with any Applicable Law, provided that in this case the relevant Party making such announcement notifies the other Party of the details of such announcement, the relevant Applicable Law to be complied with and, where applicable, the addressee of such announcement.

26.6 The Parties shall be entitled to all remedies available at law or in equity to enforce or seek relief in connection with the breach of the confidentiality obligation set out in this Article XXVI.

ARTICLE XXVII NOTICES

All notices to be given under this Agreement by one Party to the other shall be in writing, sent to the address and marked to the attention of the Person specified in <u>Article XXIX</u> and, unless otherwise agreed, in English.

ARTICLE XXVIII CONTINGENT FEES

Seller guarantees that it has not employed any person to solicit or secure this Agreement upon any agreement for a commission percentage, brokerage or contingent fee. Breach of this guarantee shall give Buyer the right to annul the Agreement or, at its discretion to deduct from the consideration payable hereunder the amount of such commission, percentage, brokerage or contingent fees. This warranty shall not apply to commissions payable by Contractors upon Contract or sales secured or made through bona fide established commercial or selling agencies maintained by Seller for the purpose of securing business.

ARTICLE XXIX ADDRESSES

SELLER: NFEnergía LLC

c/o New Fortress Energy 111 W 19th St., 8th Fl. New York, NY 10011

Attention:

General Counsel

Telephone:

516-268-7400

Email:

legal@newfortressenergy.com

Copy to:

Vinson & Elkins LLP

1001 Fannin St., Ste. 2500

Houston, TX 77002

Attention:

Mark Brasher

Telephone:

713-758-3352

Email:

mbrasher@velaw.com

BUYER:

Puerto Rico Electric Power Authority

PO Box 364267

San Juan, Puerto Rico 00936-4267

Attention:

José F. Ortiz Vázquez

Title:

Chief Executive Officer

Copy to:

King & Spalding LLP

1700 Pennsylvania Avenue NW

Ste. 200

Washington, D.C. 20006

Attention:

James F. Bowe, Jr.

Telephone:

202-626-9601

E-mail:

jbowe@kslaw.com

Either Party may change its address details by giving not less than five (5) Days written notice to the other Party.

ARTICLE XXX BUSINESS PRACTICES AND FOREIGN CORRUPT PRACTICES ACT

- Each Party agrees that in connection with its activities conducted pursuant to this Agreement, neither it nor any of its directors, officers, employees, or Affiliates shall (a) take any action, or omit to take any action that would violate any Applicable Law applicable to that Party, (b) make, promise to make, or authorize, the making of any payment, gift or transfer of anything of value, directly or indirectly, to any official or employee of any government or instrumentality of any government or to any political party or official thereof or any candidate of any political party for the purpose of influencing the action or inaction of such official, employee, political party or candidate, or (c) otherwise take any action, or omit to take any action that would cause the other Party to be in violation of any Applicable Law related to the business practices of such other Party, including the United States Foreign Corrupt Practices Act.
- 30.2 Each Party agrees and undertakes, on behalf of itself, its directors, officers, employees, or Affiliates, not to pay any fees, commissions or rebates to any employee, officer or agent of the other Party, or its Affiliates or shareholders nor provide or cause to be provided to any of them any gifts or entertainment of significant cost or value in connection with their activities conducted pursuant to this Agreement or in order to influence or induce any actions or inactions in connection with the commercial activities of the Parties under this Agreement.
- Without prejudice to <u>Article XXVIII</u>, neither Party shall use any broker, agent, or other intermediary in connection with soliciting, obtaining, negotiating, structuring or performing this Agreement or in connection with the subject matter to which it applies.
- Each Party shall indemnify and hold the other Party harmless from and against any and all losses, damages, liabilities, costs, expenses and claims which arise out of, are incident to, or result from any breach by such Party of this <u>Article XXX</u>.
- Each Party shall use commercially reasonable efforts to cause its contractors and agents to agree to terms concerning business practices and the Foreign Corrupt Practices Act that are substantially similar to those set forth in this <u>Article XXX</u>.

ARTICLE XXXI TRANSFER OF FUNDS

If Seller decides to assign or transfer any right to payment of an amount, due or payable, to which he is entitled for services rendered or goods provided during the term of this Agreement, Seller shall notify Buyer of such transfer of funds, in accordance with the provisions of Act 21-2012. Said notice shall clearly indicate the rights granted, including a copy of the contract under which the assignment or transfer of the right to payment is made, the exact amount of funds to be assigned or transferred, and specific identification information regarding the assignee (full name of the person or company), address and any other contact information.

ARTICLE XXXII CONFLICT OF INTEREST

Seller certifies that none of its representatives under this Agreement receive payment or compensation of any nature, for services rendered regularly through an appointment to a governmental agency, body, public corporation or municipality of Puerto Rico. Seller also certifies that it may have consulting services contracts with other governmental agencies or bodies, but such condition does not constitute a conflict of interest for Seller.

Seller acknowledges that in executing the services pursuant to this Agreement it has a duty of complete loyalty towards Buyer which includes not having adverse interests to those of Buyer related to the services. Those adverse interests include representation of clients which have or may have opposed interests to those of Buyer in relation to the services. Also, Seller shall have the continuous obligation to disclose to Buyer all information and circumstances of its relations with clients and third persons and any interest which could reasonably influence Buyer when executing this Agreement or during its term.

The Parties certify that no officer, employee or agent of Buyer, or of the Government of the Commonwealth of Puerto Rico or Municipal Governments, shall be admitted to any share or part of this Agreement or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this Agreement if made with a corporation for its general benefit.

In addition to the restrictions and limitations established under the provisions of Act 1-2012, as amended, retired or former officers or employees of Buyer, whose work was in any way related to the award or management of contracts, shall in no way benefit from any contract with Buyer for a period of two (2) years after leaving employment with or ceasing services to Buyer.

(a) Seller represents conflicting interests when on behalf of a client it must contend for that which it is his duty to oppose to comply with its obligations with another previous, present or potential client. Also, Seller represents conflicting interests when its conduct is described as such in the canons of ethics applicable to Seller and its personnel or in the laws or regulations of the Commonwealth of Puerto Rico.

- (b) In the event that any of the partners, directors or employees of Seller should incur in the conduct described herein, said conduct shall constitute a violation to the prohibitions provided herein. Seller shall avoid even the appearance of the existence of conflicting interests.
- (c) Seller acknowledges that Buyer's Contracting Officer shall have the power to intervene the acts of Seller and/or its agents, employees, and subcontractors regarding the enforcement of the prohibitions contained herein. In the event that Buyer should discover the existence of adverse interests with Seller, the Contracting Officer shall inform Seller, in writing, of Buyer's intention to terminate this Agreement within a thirty (30) Day period. During said period, Seller may request a meeting with the Contracting Officer to present his arguments regarding the alleged conflict of interests, which meeting shall be granted by Buyer in every case of alleged conflict of interests. In the event that Seller does not request such a meeting during the specified thirty (30) Day period or the controversy is not satisfactorily settled during the meeting, this Agreement shall be cancelled.
- (d) Seller certifies that, at the time of award of this Agreement, it does not have any other contractual relation that can enter in a conflict of interest with this Agreement. Seller also certifies that no public employee has any personal or economical interest in this Agreement.

ARTICLE XXXIII UNFAIR LABOR PRACTICE

In the event that Seller or any of its subcontractors or agents do not comply with an order issued by the Puerto Rico Labor Relations Board and/or the National Labor Relations Board upon their finding that Seller or any of its subcontractors or agents have committed an unfair labor practice, no further payments shall be made by Buyer to Seller after the date of the said order, until such non-compliance is corrected. Any declaration by the Puerto Rico Labor Relations Board and/or by the National Labor Relation Board that the contractors or agents have not complied with an order issued by the Board relating to any unfair labor practice shall be binding, final, and conclusive unless such order is reversed or set aside by a Court of competent jurisdiction.

ARTICLE XXXIV DISCRIMINATION

Seller certifies that it is an employer with equal opportunity employment, and does not discriminate by reason of race, color, religion, political ideas, sex, nationality, age or mental or physical condition.

ARTICLE XXXV COMPLIANCE WITH THE COMMONWEALTH OF PUERTO RICO CONTRACTING REQUIREMENTS

Seller undertakes to comply with all applicable State Law, Regulations or Executive Orders that regulate the contracting process and requirements of the Commonwealth of Puerto Rico.



- 35.1 Executive Order Num. OE-1991-24 of June 18, 1991 to require certification of compliance with the Internal Revenue Services of the Commonwealth of Puerto Rico: Pursuant to Executive Order Number OE-1991-24 of June 18, 1991, Seller shall certify and guarantee that it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last five (5) years. Seller further will certify that it has complied and is current with the payment of any and all income taxes that are, or were due, to the Government of Puerto Rico. Seller shall provide, to the satisfaction of Buyer, and whenever requested by Buyer during the term of this Agreement, the necessary documentation to support its compliance with this Clause 35.1. Seller will be given a specific amount of time to produce said documents. During the term of this Agreement, Seller agrees to pay and/or to remain current with any repayment plan agreed to by Seller with the Government of Puerto Rico.
- 35.2 Executive Order Num. OE-1992-52 of August 28, 1992 to require certification of compliance with the Department of Labor of the Commonwealth of Puerto Rico. Pursuant to Executive Order Number 1992-52, dated August 28, 1992 amending OE-1991-24, Seller shall certify and warrant that it has made all payments required for unemployment benefits, workmen's compensation and social security for chauffeurs, whichever is applicable, or that in lieu thereof, has subscribed a payment plan in connection with any such unpaid items and is in full compliance with the terms thereof. Seller accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every Contractor and Subcontractor whose service Seller has secured in connection with the services to be rendered under this Agreement and shall forward evidence to Buyer as to its compliance with this requirement.
- 35.3 Government of Puerto Rico Municipal Tax Collection Center: Seller shall certify and guarantee that it does not have any current debt with regards to property taxes that may be registered with the Government of Puerto Rico's Municipal Tax Collection Center (known in Spanish as Centro de Recaudación de Ingresos Municipales (CRIM)). Seller further will certify to be current with the payment of any and all property taxes that are or were due to the Government of Puerto Rico. Seller shall provide, to the satisfaction of Buyer and whenever requested by Buyer during the term of this Agreement, Certification issued by the Municipal Revenues Collection Center ("MRCC"), assuring that Seller does not owe any tax accruing to such governmental agency. To request such Certification, Seller will use the form issued by the MRCC (called "CRIM-Certificados, Radicación, Estado de Cuenta y Todos los Conceptos" in the MRCC website). Seller shall deliver upon request any documentation requested by Buyer. During the Term of this Agreement, Seller agrees to pay and/or to remain current with any repayment plan agreed to by Seller with the Government of Puerto Rico with regards to its property taxes.

Seller shall provide a Personal Property Tax Filing Certification, issued by the MRCC which indicates that Seller has filed its Personal Property Tax Return for the last five (5) contributory terms or Negative Debt certification issued by the MRCC with respect to real and property taxes and a sworn statement executed by Seller indicating that (i) its revenues are derived from the rendering of professional services, (ii) during the last five (5) years (or the time in which it has been providing professional services) it has had no taxable business or personal property on the 1st of January of each year, (iii) that for such reasons

it has not been required to file personal property tax returns, as required under Article 6.03 of Act 83-1991, as amended and (iv) that for such reason it does not have an electronic tax file in the MRCC's electronic system.

- 35.4 Seller shall furnish a Certification issued by the Treasury Department of Puerto Rico which indicates that Seller does not owe Puerto Rico Sales and Use taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan and is in full compliance with its terms.
- 35.5 The Seller shall provide a Puerto Rico Sales and Use Tax Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that Seller has filed his Puerto Rico Sales and Use Tax for the last sixty (60) tax periods.
- 35.6 The Seller shall provide a copy of its Certificate of Merchant's Registration issued by the Treasury Department of Puerto Rico.
- 35.7 Puerto Rico Child Support Administration (ASUME): Seller shall present, to the satisfaction of Buyer, the necessary documentation certifying that neither Seller nor any of its owners, affiliates of subsidiaries, if applicable, have any debt, outstanding debt, or legal procedures to collect child support payments that may be registered with the Puerto Rico Child Support Administration (known in Spanish as the Administración Para El Sustento de Menores (ASUME)). Seller will be given a specific amount of time to deliver said documents. 3 L.P.R.A. § 8611 et seq.;
- 35.8 Seller shall provide a Good Standing Certificate issued by the Department of State of Puerto Rico.
- 35.9 Seller shall provide a Certification of Incorporation, or Certificate of Authorization to do business in Puerto Rico issued by the Department of State of Puerto Rico.
- 35.10 Social Security and Income Tax Withholdings: In compliance with Executive Order 1991 OE- Article XXIII; and 20 C.F.R. Part 404 et. seq., the Seller will be responsible for filing and depositing the Federal Social Security and Income Tax withholding obligations, as applicable, for any amounts paid in connection with this Contract.
- 35.11 Compliance with Act No. 1 of Governmental Ethics: Seller shall certify compliance with Act No. 1 of January 3, 2012, as amended, known as the Ethics Act of the Government of Puerto Rico, which stipulates that no employee or executive of Buyer nor any member of his/her immediate family (spouse, dependent children or other members of his/her household or any individual whose financial affairs are under the control of the employee) shall have any direct or indirect pecuniary interest in the services to be rendered under this Agreement, except as may be expressly authorized by the Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government. 3 L.P.R.A. § 8611 et seq.
- 35.12 Law 168-2000: Law for the Strengthening of the Family Support and Livelihood of Elderly People: Seller shall certify that if there is any Judicial or Administrative Order

demanding payment or any economic support regarding Act No. 168-2000, as amended, the same is current and in all aspects in compliance. Act No. 168-2000 "Law for the Strengthening of the Family Support and Livelihood of Elderly People" in Spanish: "Ley para el Fortalecimiento del Apoyo Familiar y Sustento de Personas de Edad Avanzada", 3 L.P.R.A. §8611 et seq.

35.13 Law Num. 127, May 31, 2004: Contract Registration in the Comptroller's Office of Puerto Rico Act: Payment for services the object of this Agreement shall not be made until this Agreement is properly registered in the Office of the Comptroller of the Government of Puerto Rico pursuant to Law Number 18 of October 30, 1975, as amended.

35.14 Prohibition with respect to execution by public officers: (3 L.P.R.A. 8615(c)):

No public officer or employee authorized to contract on behalf of the executive agency for which he/she works may execute a contract between the agency for which he/she works and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.

35.15 Prohibition with respect to contracting with officers or employees: (3 L.P.R.A. 8615(d)):

No executive agency may execute a contract in which any of its officers or employees or any member of their family units has or has had direct or indirect economic interest during the last four (4) years prior to their holding office, unless the Governor gives authorization thereto with the previous recommendation of the Secretary of the Treasury and the Secretary of Justice.

35.16 Prohibition with respect to contracts with officers and employees of other Government entities: (3 L.P.R.A. 8615(e)):

No public officer or employee may be a party to or have any interest in any profits or benefits produced by a contract with any other executive agency or government dependency unless the Governor gives express authorization thereto with previous recommendation from the Secretary of the Treasury and the Secretary of Justice.

35.17 Prohibition with respect to evaluation and approval by public officers: (3 L.P.R.A. 8615(f)):

No public officer or employee who has the power to approve or authorize contracts shall evaluate, consider, approve or authorize any contract between an executive agency and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.

35.18 Prohibition with respect to execution by public officers contracts with former public officers: (3 L.P.R.A. 8615(h)):

No executive agency shall execute contracts with or for the benefit of persons who have been public officers or employees of said executive agency until after two (2) years have elapsed from the time said person has ceased working as such.

35.19 Both Parties acknowledge and agree that the contracted services herein may be provided to another entity of the Executive Branch which enters into an interagency contract with Buyer or by direct disposition of the Chief of Staff. These services will be performed under the same terms and conditions in terms of hours of work and compensation set forth in this Agreement. For the purpose of this <u>Clause 35.19</u>, the term "entity of the Executive Branch" includes all agencies of the Government of Puerto Rico, as well as all instrumentalities and public corporations.

35.20 [Reserved]

- 35.21 Seller shall provide Workmen's Compensation Insurance as required by the Workmen's Compensation Act 45-1935 of the Commonwealth of Puerto Rico. Seller shall also be responsible for compliance with said Workmen's Compensation Act by all its subcontractors, agents, and invitees, if any.
- 35.22 Invoices must include a written and signed certification stating that no officer or employee of Buyer, and their respective subsidiaries or affiliates, will personally derive or obtain any benefit or profit of any kind from this Agreement, with the acknowledgment that invoices that do not include this certification will not be paid. This certification must read as follows:

"We certify under penalty of nullity that no public servant of Buyer 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 delivery of goods or for the Services provided is the agreed-upon price that has been negotiated with an authorized representative of Buyer. The total amount shown on this invoice is true and correct. The Services have been rendered, and no payment has been received."

35.23 Anti-Corruption Code for a New Puerto Rico. Seller agrees to comply with the provisions of Act No. 2-2018, as the same may be amended from time to time, which establishes the Anti-Corruption Code for a New Puerto Rico. Seller hereby certifies that it does not represent particular interests in cases or matters that imply a conflict of interest, or of public policy, between the executive agency and the particular interests it represents.

Seller shall furnish a sworn statement to the effect that neither Seller nor any president, vice president, executive director or any member of a board of officials or board of directors, or any person performing equivalent functions for Seller has been convicted of or has pled guilty to any of the crimes listed 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 or any of the crimes included in Act 2-2018.

Seller hereby certifies that it has not been convicted in Puerto Rico or United States Federal court 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, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves 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.

Buyer shall have the right to terminate this Agreement in the event Seller is 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, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves 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.

If any of the previously required Certifications shows a debt, and Seller has requested a review or adjustment of this debt, Seller will certify that it has made such request at the time of the Agreement execution. If the requested review or adjustment is denied and such determination is final, Seller will provide, immediately, to Buyer a proof of payment of this debt; otherwise, Seller accepts that the owed amount be offset by Buyer and retained at the origin, deducted from the corresponding payments.

35.24 Consequences of Non-Compliance: Seller expressly agrees that the conditions outlined throughout this <u>Article XXXV</u> are essential requirements of this Agreement.

ARTICLE XXXVI INSURANCE

36.1 INSURANCE AND BONDS:

Seller shall secure and maintain in full force and effect during the life of this Agreement as provided herein, policies of insurance covering all operations engaged in by the Agreement as follows:

(a) Commonwealth of Puerto Rico Workmen's Compensation Insurance:

Seller shall provide Workmen's Compensation Insurance as required by the Workmen's Compensation Act 45-1935 of the Commonwealth of Puerto Rico. Seller shall also be responsible for compliance with said Workmen's Compensation Act by all its subcontractors, agents, and invitees, if any.

Seller shall furnish a certificate from the Puerto Rico's State Insurance Fund showing that all personnel employed in the work are covered by the Workmen's Compensation Insurance, in accordance with this Contract.

(b) Employer's Liability Insurance:

Seller shall provide 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 Seller as 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 Workmen's Compensation Act of the Commonwealth of Puerto Rico.

(c) Commercial General Liability Insurance:

Seller shall provide a Commercial General Liability Insurance with limits of \$2,000,000 per occurrence and \$2,000,000 aggregate, and including coverage for explosion, collapse, and underground (XCU) hazard.

The Commercial General Liability Insurance or its equivalent must include coverage for bodily injuries and property damages caused during the operation of a watercraft.

(d) Excess Liability Insurance:

Seller shall provide an Excess Liability Insurance in excess of the Commercial General Liability Insurance limits. This Excess Liability Insurance will have limits of \$10,000,000 per occurrence and \$10,000,000 aggregate.

(e) Commercial Automobile Liability Insurance:

Seller shall provide a Commercial Automobile Liability Insurance with limits of \$1,000,000 combined single limit covering all owned, non-owned, and hired automobiles.

(f) Pollution Liability Insurance:

Seller shall provide a Pollution Liability Insurance with limits of \$1,000,000 per claim and \$1,000,000 per aggregate.

36.2 Requirements Under the Policies:

The Commercial General Liability or its equivalent and the Commercial Automobile Liability Insurance required under this Contract shall be endorsed to include:



(a) As Additional Insured:

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

- (b) A thirty (30) Day cancellation or nonrenewable notice to be sent to the above address.
- (c) An endorsement including this Agreement under contractual liability coverage and identifying it by number, date and parties to the contract.
- (d) Waiver of Subrogation in favor of Puerto Rico Electric Power Authority (Buyer).
- (e) Breach of Warranties or Conditions:

"The Breach of any of the Warranties or Conditions in this policy by the Insured shall not prejudice Buyer's rights under this policy."

36.3 Bonds:

Seller shall require each BOP Contractor to furnish at the time of the execution of an agreement to perform any part of the Works:

- (a) A Performance Bond in the amount of twenty-five percent (25%) of the relevant contract price, with good and sufficient surety reasonably acceptable to Buyer guaranteeing to Buyer that such BOP Contractor will well and faithfully perform its obligations under such agreement.
- (b) A Payment Bond in the amount of twenty-five percent (25%) of the relevant contract price, with good and sufficient surety reasonably acceptable to Buyer to guarantee to Buyer the prompt payment of all labor, supervision, equipment and materials required in the performance of the work.
- (c) All bonds shall be issued in a form reasonably acceptable to Buyer.

36.4 Furnishing of Policies:

All required policies of insurance shall be in a form acceptable to Buyer and shall be issued only by insurance companies authorized to do business in Puerto Rico.

Seller shall furnish a certificate of insurance in original signed by an authorized representative of the insurer in Puerto Rico, describing the coverage afforded.

ARTICLE XXXVII GENERAL

- 37.1 If any inconsistency appears between the provisions contained in the body of this Agreement and any Annex or Exhibit to this Agreement, then the provisions of the body of this Agreement shall prevail.
- 37.2 If any one or more of the provisions, obligations, or terms herein or part thereof shall be determined by a court of competent jurisdiction to be wholly or partially invalid, void, illegal or unenforceable in any respect by operation of Applicable Law or otherwise, the validity, legality, or enforceability of the remaining provisions, obligations, or terms or part thereof in any other jurisdiction shall not in any way whatsoever be affected or impaired thereby and all provisions of this Agreement shall, if alternative interpretations are applicable, be construed so as to preserve the validity and enforceability hereof to the extent that the essential purposes of this Agreement can be determined and effectuated.
- 37.3 The Parties do not intend any term of this Agreement to be enforceable by any Third Party.
- 37.4 Nothing in this Agreement shall be deemed to create a partnership, joint venture or association, establish a principal and agent relationship or any other relationship of a similar nature, including employment, between the Parties or create any joint and several liabilities. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, to act on behalf of, to act as or be an agent or representative of, or to otherwise bind, the other Party.
- 37.5 From and after the Effective Date and for the remainder of the Contract Term, Buyer shall use commercially reasonable efforts to cooperate with any financing efforts of Seller (including any refinancing thereof) with respect to the development and construction of the MFH Facility and Works, including providing information regarding the MFH Facility, the Interconnection Facility and SJ 5&6 Units reasonably available to Buyer and responding to any reasonable questions asked or imposed by any of Seller's potential debt and equity financing sources ("Seller's Financing Sources"). Buyer consents to the collateral assignment of this Agreement to Seller's Financing Sources. In connection with such cooperation, Buyer agrees that it shall execute and deliver such further instruments and documents (if any) as are reasonably requested by Seller's Financing Sources in connection with such financing efforts on terms that are customary for the relevant type of financing in connection with a project similar to that described in the first sentence of this Clause 37.5, which instruments and documents may include notices, collateral assignments or direct agreements (containing customary lender cure rights and remedies provisions), acknowledgements, consents, certifications and representations and opinions of counsel.
- 37.6 The Parties acknowledge that this Agreement has been negotiated and prepared by the Parties with the advice of legal counsel to the extent deemed necessary by each Party. The Parties have agreed to the wording of this Agreement and none of the provisions of this Agreement shall be construed against one Party on the ground that such Party is the author of this Agreement or any part of this Agreement.



37.7 This Agreement contains the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior proposals, negotiations and communications relative hereto, oral or written, and there are no other understandings or representations between the Parties hereto. This Agreement may not be amended except by an instrument in writing signed by a duly authorized representative of each Party.

[Signature Page Follows]

IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be executed by their respective duly authorized representative as of the day and year first above written.

For and on behalf of

For and on behalf of

SELLER:

BUYER:

NFENERGÍA LLC

PUERTO RICO ELECTRIC POWER **AUTHORITY**

Title: Chief Executive Officer

S.S. 660-43 3747

JULIANA STEFANOV NOTARY PUBLIC-STATE OF NEW YORK No. 01ST6261316

Qualified in New York County My Commission Expires 05-14-2020

3.5.2019

ANNEX A TERMS AND CONDITIONS FOR WORKS

ARTICLE 1. Scope of Work

Seller shall furnish all labor, materials, design, supervision, equipment, tools, services, engineering, fabrication, procurement, construction, tests, startup, and other necessary services for completion of the Works in strict accordance with the Scope of Work, provisions of this Annex A and the Agreement, including reference drawings, all of which are hereby made a part hereof. On or before 60 days after the Commissioning Start Date, as part of its obligations herein stated, Seller shall deliver to Buyer a true and exact copy of all diagrams, plans, sketches, maps, and other documents used in the performance of contracted works and for which a third-party copyright or patent right would not be an impediment for such delivery. Seller shall be responsible for the scope of work and associated capital cost required for the Works, in each case, as specified herein.

The terms and conditions included on this Annex A will apply only to the Works. If there is any discrepancy between this document and the Agreement, the latter will prevail. The provisions of the Agreement shall also apply to the Works.

ARTICLE 2. Definitions

Whenever the words defined in this Article or pronouns used instead are mentioned in this Annex A, they shall have the meanings here given. If not defined in this Annex A, then the definitions provided in the Agreement will apply:

- 2.1 "Construction Manager" means the professional assigned by Seller to provide the construction management services in connection with the execution of the Work. This professional shall be a professional engineer registered in Puerto Rico and an active member of the Puerto Rico College of Engineers and Land Surveyors.
- 2.2 "Delay" means an event that extends (affects) the completion date of the Work, by affecting tasks on the critical path. The project schedule shall clearly display that Seller has used, in full, all the float time available for the work involved with this request (such float belonging exclusively to Seller).
- 2.3 "Engineer" means Buyer's Director of Generation, acting directly or through his properly authorized representatives.
- 2.4 "MFH Facility" shall have the meaning given to it in Annex C.
- 2.5 "Notice to Proceed" means a written order sent to Seller by the Contracting Officer, or his designated representative, notifying Seller of the date upon which Seller is given authority to begin the work.
- 2.6 "Subcontractors" shall have the meaning given to it in Article 18.
- 2.7 "Warranty Period" shall have the meaning given in Article 18.1.

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ARTICLE 3. Commencement and Completion of Work

Seller, within ten (10) days after its receipt of the Notice to Proceed, shall file with the Engineer a schedule of proposed progress of the Works and the proposed detailed method of carrying on the Works including a full statement of equipment and equipment layout for the job. This progress chart and statement of operations shall show the dates of commencement and completion of each item of the Works. This schedule shall also include the milestones for the submittals and material ordering, the critical path of the Work, and the man-hours per item if said progress chart and/or statement of operations are not satisfactory to the Engineer, they shall be revised by Seller to provide for the use of adequate and sufficient equipment and force and a method of operations, which will assure the completion of the Works within the schedule set forth in the Scope of Work. This information shall become a part of this Agreement after the Engineer has approved it in writing. The schedule shall be actualized monthly by Seller and submitted to Buyer for approval.

ARTICLE 4. Suspension of Work

The Contracting Officer or the Engineer may, at any time, suspend the whole or any portion of the work under this Agreement, for the period of time that the Contracting Officer or the Engineer determines appropriate to Buyer, but this right to suspend the work shall not be construed as denying Seller actual reasonable, and necessary expenses due to delays caused by such suspension (such amounts to be paid as they accrue), it being understood that expenses will not be allowed for such suspension when ordered by the Contracting Officer or the Engineer on account of a Force Majeure event or due to Seller's failure to comply with the Agreement¹. The cause of such suspension shall be put in writing by the Contracting Officer, the Engineer or the designated representative within two (2) working Days after the suspension or as soon as practicable.

ARTICLE 5. Other Work at the Site

Buyer reserves the right to perform other work outside of the scope of the Works or to enter into other contracts in connection with the SJ 5&6 Units. Seller shall afford Buyer and its other contractors a reasonable opportunity for the introduction and storage of their materials and the execution of their work and shall properly connect and coordinate Seller's work with the work performed by Buyer and its other contractors. If any part of Seller's work depends for proper execution or results upon the work of Buyer or of any other contractor, Seller shall inspect and promptly report to Buyer any defects in such work or any conflicts between such work and that of Seller, Buyer to decide, if necessary, the course to be followed by each party.

Wherever work being done by Buyer's own forces or by other contractors is contiguous to work covered by this Agreement, Buyer will secure the completion of the various portions of the work so as not to interfere with the Work. Whenever, in the opinion of Buyer, the orderly progress of the entire Project requires the use by Buyer's own forces or by other contractors, of construction equipment installed and operated by Seller for his own use, Buyer will arrange with Seller for such use, at times, and in locations which will not interfere with the work being done under this

¹ Dependent upon Mitsubishi agreeing to the same.

Agreement, and will reimburse Seller for any incremental costs incurred by Seller as a result of any such use.

ARTICLE 6. Submittals

The Engineer shall be allowed five (5) working Days to evaluate and to review submittals and mark them as disapproved, approved as corrected or approved it becomes necessary. Seller is responsible to submit digital submittals. All submittals not approved shall be corrected as required and resubmitted for Buyer's evaluation.

Any review or approval by the Engineer or Buyer of such submittals under this <u>Article 6</u>, or specification or drawings under <u>Article 9</u>, shall not relieve Seller from its obligation to comply with the Agreement and the Scope of Work, unless otherwise agreed in writing by the Parties.

Before commencement of any work or task required in this Agreement, Seller shall submit for Buyer's approval the Occupational Safety and Health Programme.

ARTICLE 7. Specifications and Drawings

Buyer reserves the right to review and approve all drawings, specifications, methods, and data which Seller generates, from its responsibilities, obligations or liabilities under this Agreement. Seller shall obtain such reviews or approval in writing from Buyer. Seller shall keep at the working area a copy of the Agreement, its supplementary documents, specifications and drawings, and shall, at all times, give the Engineer access thereto. Anything called for in the specifications and not shown on the drawings or shown on the drawings and not mentioned in the specifications shall be of like effect as if called for or shown on both. In case of discrepancy in the specifications and drawings, the matter shall be immediately submitted to the Engineer, without whose decision said discrepancy shall not be adjusted by Seller, and Seller shall not proceed with the work so affected until it has received written order from the Engineer.

ARTICLE 8. Strict Accordance with Technical Requirements

All construction work called for in the Scope of Work and/or shown on the drawings to be performed by Seller shall be performed in strict accordance with the technical requirements of the contract documents.

ARTICLE 9. Changes and/or Extra Work

Seller shall be entitled to be reimbursed the actual direct incremental cost to Seller (including amounts paid to its contractors, vendors, consultants and Subcontractors) on account of any of the following events (each, a "Change Event"):

- 9.1 If Buyer, at any time, makes changes or orders extra work additional to the Scope of Work contracted, subject to previous written approval of Buyer's Contracting Officer, which changes may include, but not limited to, changes:
 - (a) in the specifications including drawings and design;

- (b) in the method or manner of performance of the work;
- (c) in Buyer's furnished facilities, equipment, materials, services, or site; and/or,
- (d) acceleration in the performance of the work.
- 9.2 Within ten (10) working days after receipt of Buyer's written order of a change in the work (or such shorter or longer period of time as may be reasonably required as agreed by Buyer and Seller) or the occurrence of a Change Event, Seller shall promptly notify Buyer of the cost, schedule and other impact(s) Seller anticipate as a result of the Change Event. If Buyer agrees with Seller's statement as to the impact of the Change Event, the parties shall proceed promptly to enter into a written change order in connection with such change to equitably adjust Seller's cost (increase or decrease), schedule (lengthen or shorten), or other obligations under this Agreement in connection with such Change Event, including by modifying the Natural Gas Manufacturing Surcharge to include allowance for the relevant costs. If Buyer disagrees with Seller's statement as to the final impact of the Change Event, Buyer shall promptly advise Seller in writing of the basis for the disagreement and Buyer and Seller shall negotiate in good faith to resolve any issues in order to, when applicable, enter into a written change order to equitably adjust Seller's cost (increase or decrease), schedule (lengthen or shorten), or other obligations under the Agreement in connection with such change. Acceptance of the change order and an adjustment in the Agreement price and/or Agreement time shall not be unreasonably withheld. Once a written consent has been executed by Buyer's Contracting Officer, Seller shall proceed with the change. Except as herein provided, and within the time frames stated, no order, statement, or conduct of Buyer that does not constitute a Change Event shall be treated as a change under this Clause 9.2 or entitle Seller to an equitable adjustment hereunder.

If agreement on the prices for the extra work cannot be reached between Buyer and Seller, Buyer may order in writing Seller to perform the required work on a force account basis and Seller shall then execute the order and be paid on a reimbursable basis as its expenses accrue. Buyer may also elect to have such work performed by its own forces or by separate contract.

In order to facilitate review of quotations for extras or credits, all proposals submitted by Seller in connection with a change in the work by Buyer, except those so minor that their propriety can be seen by inspections, shall be accomplished by a complete itemization of the costs including labor, materials, equipment, and subcontracts. When subcontractors perform major cost items, they shall also be itemized.

ARTICLE 10. Inspection

10.1 Periodic Inspection

All material and workmanship (if not otherwise designated by the specifications) shall be subject to inspection, examination, and test by Buyer's inspectors, at agreed times. During the Warranty Period, at the time of any such inspection, Buyer shall have the right to reject defective material, equipment or workmanship or require its correction. Rejected workmanship shall be satisfactorily corrected and rejected material and equipment furnished by Seller shall be satisfactorily replaced with proper material and equipment,

without charge to Buyer. Seller shall furnish all facilities, labor, materials, and equipment reasonably necessary for any inspection and Required Testing to be performed in a safe manner that will not unnecessarily delay the work.

10.2 Final Inspection

Whenever all the materials have been furnished and all of the Works have been performed. including final cleaning-up as contemplated in Article 21, all in accordance with the drawings and Scope of Work, Seller shall notify the Engineer in writing that said work is completed and ready for final inspection. Final inspection shall occur within a ten (10) working Days period after the Engineer has received notice from Seller of Substantial Completion. After receipt of notice Buyer will notify Seller of the exact date and time of the final inspection and Seller shall accommodate Buyer's specific time. If all Works are found completed in accordance with the Scope of Work, this inspection shall constitute the final inspection and the date of receipt of the notice of Seller that the Works were completed and ready for final inspection shall be established as "Final Completion." If, however, upon inspection by the Engineer it is found that any Work, in whole or in part, is unsatisfactory, the Engineer shall give Seller the necessary instructions as to replacement of material and performance of work necessary to achieve Final Completion and acceptance and Seller shall immediately comply with and execute such instructions. Upon satisfactory replacement and performance of such Work, Seller shall notify the Engineer, and another inspection shall be made which will constitute the final inspection if the Required Testing demonstrates Substantial Completion. In such event, the date of receipt of this last notice of Seller will be established as Final Completion of the Works or any separable part thereof under the Agreement. Final Completion, thus established, shall be used in calculating the actual time of performance of the work.

0.3 Substantial Completion Prior to Final Completion

When Seller believes that it has achieved Substantial Completion for SJ 5 or SJ 6, Seller shall submit a written notice to Buyer of its determination that the Works in respect of such Unit satisfy the requirements for Substantial Completion.

Following receipt of a Seller determination pursuant to <u>Clause 10.3</u>, Buyer (acting reasonably and in good faith) shall, within three (3) Days, either issue a certificate confirming that Substantial Completion has occurred for such unit or provide written notice to Seller (in a proposed Punch List) of the Works that remain to be completed in order for Substantial Completion of such unit to occur. Notwithstanding the achievement of Substantial Completion, Seller shall finish the items included in the Punch List and all other pending tasks or requirements of the contract documents, as required in the Substantial Completion certificate.

ARTICLE 11. Superintendence by Seller

Before commencement of the Works, Seller shall designate a competent Construction Manager, reasonably satisfactory to the Engineer, with the expertise and resources necessary to provide construction management services. Seller shall also have a competent Resident Engineer,

reasonably satisfactory to the Engineer, on the work site, at all times during progress of the work, with authority to act for the Engineer. The Resident Engineer shall only be assigned to the Work. The Construction Manager and Resident Engineer shall represent Seller in his absence and all directions given to the Construction Manager and Resident Engineer by the Engineer shall be as binding as if given to Seller. Seller shall, at all times, enforce strict discipline and good order among its employees and shall not employ on the work any unsuitable or unskilled person in the work assigned to Seller. In addition, Seller shall be fully responsible for the negligent or wrongful acts or omissions of subcontractors or of persons both directly or indirectly employed by Seller and shall be liable to Buyer and/or any affected third parties for such acts or omissions.

ARTICLE 12. Sanitary Facilities

Seller shall furnish and maintain satisfactory, sanitary facilities for the use of the workmen engaged in the construction, as required by law or regulations.

ARTICLE 13. Access to Work

- Buyer shall provide reasonable access to all Persons appointed or authorized by Seller to visit and inspect the Work, or any part thereof, at all reasonable times, and places during the progress of it.
- 13.2 Buyer shall provide Seller and its contractors, consultants, vendors, and Subcontractors, and each of their respective employees, agents, representatives and other personnel clear access to all areas of the site at all times necessary for the timely completion of the Works and Seller's other obligations hereunder.

ARTICLE 14. Independent Contractor

Seller shall be considered an independent contractor, for all purposes under this Agreement, and all persons engaged or contracted by Seller for the performance of its obligations herein, shall be considered either as its employees or agents or those of its subcontractors, and not as employees or agents of Buyer. In consequence, Seller is not entitled to any fringe benefits, such as, but not limited to vacations, sick leave, and other.

ARTICLE 15. Insurance, Bonds, and Indemnities

Seller shall cause MHPSA to secure and maintain in full force and effect until Final Acceptance, policies of insurance covering the Works as follows:

15.1 Commonwealth of Puerto Rico Workmen's Compensation Insurance:

Seller shall provide Workmen's Compensation Insurance as required by the Workmen's Compensation Act 45-1935 of the Commonwealth of Puerto Rico. Seller shall also be responsible for compliance with said Workmen's Compensation Act by all its subcontractors, agents, and invitees, if any.

Seller shall furnish a certificate from the Puerto Rico's State Insurance Fund showing that all personnel employed in the work are covered by the Workmen's Compensation Insurance, in accordance with this Contract.

15.2 Employer's Liability Insurance:

Seller shall provide 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 Seller as 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 Workmen's Compensation Act of the Commonwealth of Puerto Rico.

15.3 Commercial General Liability Insurance:

Seller shall provide a Commercial General Liability Insurance or its equivalent with limits of \$2,000,000 per occurrence and \$2,000,000 aggregate, and including coverage for explosion, collapse, and underground (XCU) hazard.

15.4 Excess Liability Insurance:

Seller shall provide an Excess Liability Insurance in excess of the Commercial General Liability Insurance limits. This Excess Liability Insurance will have limits of \$10,000,000 per occurrence and \$10,000,000 aggregate.

15.5 Commercial Automobile Liability Insurance:

Seller shall provide a Commercial Automobile Liability Insurance with limits of \$1,000,000 combined single limit covering all owned, non-owned, and hired automobiles.

15.6 Pollution Liability Insurance:

Seller shall provide a Pollution Liability Insurance with limits of \$1,000,000 per claim and \$1,000,000 per aggregate.

15.7 Professional Liability Insurance:

Seller shall provide a Professional Liability Insurance with limits of \$1,000,000 per claim and \$1,000,000 per aggregate.

15.8 Requirements Under the Policies:

The Commercial General Liability or its equivalent and the Commercial Automobile Liability Insurance required under this Contract shall be endorsed to include:

(a) As Additional Insured:

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

- (b) A thirty (30)-Day cancellation or nonrenewable notice to be sent to the above address.
- (c) An endorsement including this Contract under contractual liability coverage and identifying it by number, date and parties to the contract.
- (d) Waiver of Subrogation in favor of Puerto Rico Electric Power Authority (PREPA).
- (e) Breach of Warranties or Conditions:

"The Breach of any of the Warranties or Conditions in this policy by the Insured shall not prejudice Buyer's rights under this policy."

15.9 Bonds:

Seller shall require MHPSA to furnish, at the time of the execution of its agreement with Seller for the Works:

- (a) A Performance Bond in the amount of one hundred percent (100%) of the contract price thereunder, with good and sufficient surety reasonably acceptable to Buyer, guaranteeing to Buyer and Seller that MHPSA will well and faithfully perform the Works.
- (b) A Payment Bond in the amount of one hundred percent (100%) of the contract price thereunder, with good and sufficient surety reasonably acceptable to Buyer, to guarantee to Buyer and Seller the prompt payment by MHPSA of all labor, supervision, equipment and materials required in the performance of the Works.
- (c) All bonds shall be issued in the official form of Buyer.

15.10 Furnishing of Policies:

All required policies of insurance shall be in a form acceptable to Buyer and shall be issued only by insurance companies authorized to do business in Puerto Rico.

Seller shall furnish a certificate of insurance in original signed by an authorized representative of the insurer in Puerto Rico, describing the coverage afforded.

ARTICLE 16. Other Contracts

Buyer may award other contracts for additional work, and Seller shall fully cooperate with such other contractors, in accordance with <u>Article 5</u>, in their performance of other work at the San Juan Power Plant, and Seller shall coordinate its performance of the Works insofar as possible with that

performed under other contracts as may be directed by the Contracting Officer. Seller shall not commit or permit any acts which interfere with the performance of work by any other contractor.

ARTICLE 17. Correction of Work After Final Acceptance

Neither the final certificate for payment nor any provision in the Contract documents shall relieve MHPSA or any BOP Contractor of responsibility for faulty materials or workmanship and, unless otherwise specified, Seller shall require MHPSA and each BOP Contractor to remedy any defects due thereto and pay for any damage to other work resulting therefrom, on the terms set forth in Article 18 of this Annex A.

ARTICLE 18. Warranty and Performance Testing

Seller shall use commercially reasonable efforts to obtain from MHPSA and each BOP Contractor ("Subcontractors") warranties of goods, equipment and materials on the following terms:

- During the Required Testing completed by MHPSA prior to Substantial Completion, each Unit will satisfy the performance guarantees set forth in <u>Exhibit F</u>.
- That all materials, parts or equipment used, and work performed for the Works comply in all respect with the terms and conditions of the Agreement; that they are free from any and all latent and patent defects in design, materials, and workmanship; that they are suitable and adequate for the purposes if any, specified in the Agreement, and that the services provided under this Agreement will conform with the standards of care and practice appropriate to a Reasonable and Prudent Operator. The warranty period will begin the date on Substantial Completion and will continue for a period of one (1) year or for whatever period MHPSA will provide (the "Warranty Period"). The Subcontractor will, upon written notice by Buyer, fully remedy, free of expense to Buyer, such defects as may develop on said services, materials, parts or equipment, provided that (i) they have been properly stored, installed and maintained, and operated within the specified parameters (including any such parameters provided by Seller's contractors) and (ii) Buyer notifies the Subcontractor during the Warranty Period. The Performance Bond furnished by the relevant Subcontractor shall cover and serve as guarantee for this warranty.
- 18.3 For those materials, parts, equipment, which proves defective or deficient during the Warranty Period, the Subcontractor shall, at his own expense, repair or replace, transportin, from Subcontractor's facilities to Buyer's site, and transport-out, from Buyer's site to Subcontractor's facilities, such materials, parts, and/or equipment. The Performance Bond furnished by the relevant subcontractor shall cover and serve as guarantee for the Subcontractor's failure, in whole or in part, to properly perform his obligations under this Agreement.
- 18.4 For parts and equipment to be procured by Seller from other suppliers, and which will be furnished by Seller to Buyer under this Agreement, a written warranty shall be obtained by Seller from each supplier on the above terms and legally tended to Buyer prior to the commencement of work. Seller shall assign all agreements with Subcontractors to Buyer upon Final Completion, at which point Seller shall be released from any future liability

- with respect to the Works, whether under this <u>Article 18</u>, or pursuant to any other theory of law, including contract, tort, statute or equity.
- 18.5 The warranties shall not apply to the extent any defect is proven to be as a result of any of the following occurring after the date on which Buyer finally accepts the service and/or installation of the contracted product: (1) materials, parts, and equipment being repaired or modified by a third party without Subcontractor's or other supplier's authorization, as applicable, or being subjected to modification, misuse, improper maintenance or accident by a third party, (2) materials, parts, and equipment having their serial number or any part thereof altered, defaced or removed by a third party, or (3) materials, parts, and equipment being stored, installed, operated and maintained by a third party not in accordance with manuals, instruction books, or reasonable recommendations provided in writing by Subcontractor or other supplier, as applicable, to Buyer prior to such activity.
- 18.6 Save for its obligations under this <u>Article 18</u>, Seller shall not be liable for, and Buyer hereby waives, and releases Seller Group from, any Claims pertaining to the quality of the services performed hereunder and pertaining to any goods, equipment and materials supplied hereunder, including for breach of any warranty by a Subcontractor. SELLER MAKES NO WARRANTY (INCLUDING OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE), EXPRESS OR IMPLIED, IN FACT OR BY LAW, AS TO THE QUALITY OF THE SERVICES, GOODS, EQUIPMENT OR MATERIALS FURNISHED PURSUANT TO THIS AGREEMENT.

ARTICLE 19. Correlation of Documents

The contract documents are complementary and what is required by one shall be as binding as if required by all. Seller shall keep at the work site a copy of the Contract documents relating to the Works and any supplementary documents, specifications and drawings relating thereto and shall give Buyer access thereto during all normal working hours.

In case of discrepancy or in the event of conflict among the different Contract documents such as the Fuel Sale and Purchase Agreement, Terms of Works (<u>Annex A</u>), the Scope of Work, technical specifications, drawings, and the offeror's proposal, these shall take precedence in the order given.

The terms and conditions contained in the Contract shall prevail over any conflicting terms and conditions contained in the Seller's Bidding Proposal.

ARTICLE 20. Notice

Any required notice to be given hereunder, related to the Works, shall be in writing and will be sufficiently served when delivered in person or properly mailed to the following addresses:

To PREPA: Puerto Rico Electric Power Authority

PO Box 364267

San Juan, Puerto Rico 00936-4267

Attention:

Eng. Daniel Hernández Morales

Acting Generation Director

To Seller:

NFEnergía LLC

c/o New Fortress Energy 111 W 19th St., 8th Fl. New York, NY 10011

Attention:

General Counsel 516-268-7400

legal@newfortressenergy.com

ARTICLE 21. Cleaning-Up

Except as provided herein, Seller shall, from time to time, as directed by the Engineer, remove from Buyer's property and from all public and private property all temporary structures no longer required for construction, rubbish, and waste materials resulting from his construction operations.

Upon completion of the Work, Seller shall remove from the vicinity of the San Juan Power Plant all remaining rubbish, unused materials, and other like material, belonging to him or used under his direction during the installation of the equipment, and in the event of his failure to do so the same may be removed by Buyer at Seller's expense, and his surety or sureties shall be liable therefor. Notwithstanding the foregoing (a) under no circumstances shall Seller have any responsibility for any Hazardous Materials or other materials at the site prior to the time when the Works begin, (b) should Seller encounter any such pre-existing materials during the course of the Works, it shall identify the same to Buyer and allow Buyer to address and remove the same, and (c) Buyer shall indemnify Seller Group from and against any and all claims, damages, losses, causes of action, demands, judgments and expenses arising out of or relating to any Hazardous Materials that are (i) present on the Site prior to the commencement of the Work or brought onto the Site by a member of Buyer Group, or (ii) improperly handled or disposed of by Buyer (including Hazardous Materials brought onto the Site or produced thereon by a Contractor). At the written request of Buyer and at Buyer's sole expense, Seller may agree to remove and remediate on behalf of Buyer any such Hazardous Materials or other materials to the extent located on the site with the understanding that Buyer will execute any and all documents, submittals or regulatory filings associated with the discovery of these materials, the work or the transportation and disposal of the materials.

ARTICLE 22. Safety Provisions. Seller shall require MHPSA and the BOP Contractors to:

22.1 Comply with all applicable laws, ordinances, rules, regulations and OSHA standards for the safety of personnel, equipment, property and to protect them from damage, injury or loss; erect and maintain, as required by existing conditions and progress of the work, all reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations and notifying owners and users of adjacent utilities.

- 22.2 Submit a Site-specific Work Plan including: the scope of work, description of the activities to be done, special safety and health considerations to be addressed before commencement of the project, safety procedures to be applied and used during the project including but not limited to excavations, work zone protection, scaffolding, crane operations and emergency procedures for fire and chemical spill among others.
- 22.3 Before commencement of work, take part in a coordination meeting with Buyer's Safety Officer and Project Manager. During this meeting the areas to be worked on will be toured, the site-specific work plan will be reviewed and the protocols for Safety inspections and work permit system shall be discussed.
- 22.4 Designate one or more employees as their safety officer for the Project. The duties of the safety officer may be in addition to his/her normal duties. The safety officer shall be in charge of the prevention of accidents and the implementation of the Site-specific Plan in coordination with Buyer's Safety Officer, Project Manager and Resident Engineer, and shall have the opportunity to be present at all times on site while Seller is performing any task relating to the Project. The safety officer shall have a basic training of thirty (30) hours in Occupational Safety and Health Standards for Construction Industry from an approved OSHA Training Center. Evidence of the training shall be submitted if requested by Buyer.
- 22.5 Required welding operations shall comply with the requirements of OSHA, ANSI and NFPA.
- 22.6 Require all chemical products to be used to be classified as Approved or Conditionally Approved by Buyer's Hazard Communication Section.
- 22.7 Be responsible for maintaining good housekeeping and sanitary conditions in the work, rest, lunch and toilet areas. If the project involves the handling of non-asbestos insulation or other dust-generating materials, like gypsum board, steps shall be taken to prevent the release of dust to adjacent areas.
- Have an incident investigation procedure and notify to Buyer in writing any incident or accident on Buyer's facility.
- 22.9 Have available and up to date all licenses, trainings, medical surveillance and related certificates for specialized personnel required by OSHA, EQB and DOT according to the scope of work to be performed.
- 22.10 Adhere to a one hundred percent (100%) drug /alcohol free work zone. At minimum, preproject and post-accident testing is required. A positive post-accident test or positive preproject test will result in worker dismissal from the project. Testing will be performed following closely the NIDA standards.
- 22.11 Services and activities inside buildings occupied by working personnel that could create a hazard to their safety or health will not be performed after Buyer's Working Hours, except to the extent that Seller puts in place such precautions as may be necessary to protect Buyer's employees and the public from any possible hazard caused by the work. Seller will

take all steps necessary to assure the area will be free of nuisance odors or vapors before Buyer's personnel are permitted to resume their occupation of the area. All such activities will be undertaking in coordination with the local supervisor of Buyer.

- 22.12 Assure that all wastes generated by Seller as a part of the Works are removed and properly disposed of, in accordance with all applicable laws and regulations, at the end of every work shift and after the completion of the Project, except to the extent that it is agreed with Buyer that members of Seller Group or a Contractor may deposit waste in Buyer-provided waste containers for disposal by Buyer.
- 22.13 Obtain and maintain, during the duration of the Project, the proper permits from all federal, state and local regulatory authorities with respect to discharge, disposal, use, storage, handling and transportation of Hazardous Materials used in connection with the Works. For all Works that require or include the handling of asbestos, lead, or spilled Hazardous Materials, Seller will require MHPSA and the BOP Contractor to provide any notifications required by Environmental Laws or any Permit to EPA or the EQB, but in coordination with the Safety Officer and the Environmental Advisor.

ARTICLE 23. Laws to be Observed

Seller shall use its commercially reasonable efforts to require MHPSA and the BOP Contractors to observe and comply with any and all federal, state and municipal Laws, by-laws, ordinances, and regulations in any manner affecting the Work, those employed on the Work, or the conduct of the Work, and with all such orders and decrees as exist at present or may be enacted prior to the completion of the work by bodies or courts having any jurisdiction or authority over the work. Seller shall use its commercially reasonable efforts to require MHPSA and the BOP Contractors to save and hold harmless and to indemnify Buyer and its representative's officers, agents, and servants against any claim or liability arising from or based on the violation of any such law, by-law, ordinance, regulation, order or decree, whether by MHPSA or the relevant BOP Contractor (as applicable) or their respective employees.

ARTICLE 24. <u>Environmental Liabilities</u>. Seller shall use its commercially reasonable efforts to require MHPSA and the BOP Contractors to:

- 24.1 Indemnify Buyer Group from any and all claims, damages, losses, causes of action, demands, judgments and expenses of any nature arising out of or relating to any claim due to an environmental violation, caused by such Contractor or such Contractor's agents, employees, subcontractors or any personnel assigned during the performance or non-performance of its obligations under this Agreement.
- 24.2 Have available, and near to the working area, the necessary equipment to control and recover any spills that may occur during the performance of Seller's obligations under this Agreement. This equipment should include all the necessary materials for waste disposal.
- 24.3 Ensure that all equipment to be used in the performance of Seller's obligations under this Agreement should be free of oil, transmission fluid or hydraulic fluid leakages. If the equipment develops a leakage during Seller's performance of its obligations hereunder, it

- should be repaired or replaced immediately. While the leaking equipment is removed or repaired, it shall be MHPSA's or the relevant BOP Contractor's responsibility to use and replace the absorbent materials and drip pans.
- 24.4 Inform and coordinate with the Environmental Compliance Officer of Buyer's Environmental Protection and Quality Assurance Division (EPQAD) regarding any work to be done to avoid any environmental violation. In case of any incident, MHPSA or the relevant BOP Contractor shall immediately notify Buyer's on-site Supervisor, who will notify the EPQAD.
- 24.5 Before starting the work, submit the work plan to Buyer's EPQAD for evaluation.
- 24.6 Cause all chemical analysis to be performed by a Buyer-approved laboratory that is included in Buyer's Material Management Division Supplier Registry as a company that is qualified and evaluated to perform this type of work.
- 24.7 Agree that Buyer's personnel will audit the sampling and the disposal of waste material.
- 24.8 Ensure that the disposal of non-hazardous and hazardous waste material shall be done in a Puerto Rico Environmental Quality Board (PREQB) approved landfill.
- 24.9 Comply with 49 CFR 72 Sub. Part H (DOT requirements).
- 24.10 Cause all remedial actions and environmental work to be performed by a company previously approved by Buyer.
- 24.11 Cause all Work for which they are responsible to follow the Control Erosion and Sedimentation Plan (CES Plan). The temporary measures needed to control erosion and water pollution shall include, but not be limited to, berms, dikes, dams, sediment basins, fiber mats, netting, gravel, mulches, grasses, slope drains, and other erosion control devices or methods. These temporary measures shall be installed at the locations where there is a need to control erosion and water pollution during the construction of the project, and as directed by the engineer, and as shown on the drawings. The CES Plan presented in the drawings serves as a minimum for the requirements of erosion control during construction. MHPSA or the relevant BOP Contractor (as applicable) has the ultimate responsibility for providing adequate erosion control and water quality throughout the duration of the project. Therefore, if the provided plan is not working sufficiently to protect the project areas, then MHPSA or the relevant BOP Contractor (as applicable) shall provide additional measures as required to obtain the required protection.
- 24.12 Chemical products cannot reach any internal or external sewer at the construction site in order to prevent contamination and comply with all federal and local regulations related to the Clean Water Act.
- 24.13 Obtain and submit to Buyer's EPQAD any other type of permit required for their operation including: fuel or wastewater storage tanks, storage of remain material of excavations or any landfill required for the project, use and storage of chemicals. Furthermore, will take immediate response or mitigate any environmental concern and deficiencies found by

Buyer personnel or regulatory agencies. MHPSA or the relevant BOP Contractor (as applicable) will be responsible to notify Buyer immediately for any findings or environmental violations due to inspections by regulatory agencies.

- 24.14 Provide and maintain environmental protection measures during the commencement, construction and completion of the project, as defined under this contract. Environmental protection measures must be provided by MHPSA or the relevant BOP Contractor (as applicable) to correct conditions that may emerge or develop during the construction, as well as, the recondition of all environmental measures or controls employed at the project which do not fulfill their purpose.
- 24.15 The construction process shall be performed in such a manner that any adverse environmental impacts, where applicable, are reduced to a minimum and acceptable level.
- 24.16 It is intended that the natural resources within the Project boundaries and outside the limits of the permanent work performed, be preserved in their existing condition or be restored to an equivalent or improved condition, upon completion of the work. MHPSA or the relevant BOP Contractor (as applicable) shall confine his construction activities to areas defined by the work schedule, plans and specifications.
- 24.17 MHPSA or the relevant BOP Contractor (as applicable) and its engineer will establish, at least on a monthly basis, an orientation programme for the residents and business people to clarify details and the working schedule of the Project, and to attend to their needs or complaints.
- 24.18 All equipment to be used in the Works area shall be in new condition and shall be maintained in accordance with a good maintenance programme. A monthly record of maintenance shall be filed by MHPSA or the relevant BOP Contractor (as applicable) and submitted to Buyer's EPQAD. If required, Seller must perform and submit a monitoring study of gas emission or noise reduction on determined areas to comply with regulations. Seller shall be responsible to maintain the Works area in a clean and organized state.
- 24.19 The use of liners to cover up carrying trucks is compulsory.
- 24.20 Dispose of all waste generated by the components of the Works for which MHPSA or the relevant BOP Contractor (as applicable) is responsible, except to the extent that it is agreed with Buyer that members of Seller Group or a Contractor may deposit waste in Buyer-provided waste containers for disposal by Buyer. The waste shall be picked up and placed in containers which must be emptied on a regular schedule. The construction areas shall be clean and must be restored to their pre-existing condition upon completion. The use of Buyer's waste disposal equipment by MHPSA or the relevant BOP Contractor (as applicable) is not permitted.
- 24.21 Buyer's personnel will audit the sampling and the disposal of waste material.
- 24.22 A company previously approved by Buyer will perform all remedial actions and environmental work (if it is necessary).

- 24.23 All work shall be performed according to the Storm Water Pollution Prevention Plan (SWPPP), which is part of Buyer's NPDES Permit.
- 24.24 All work at Docks A, B and C shall be performed in accordance with best management practices to avoid any impact to NPDES Outfalls 002 and 003 and Intake 001 of the San Juan Power Plant.
- 24.25 All work will be performed in compliance with Consent Decree stipulations Civil Action No. 93-2527 CCC.

ARTICLE 25. Quality Assurance

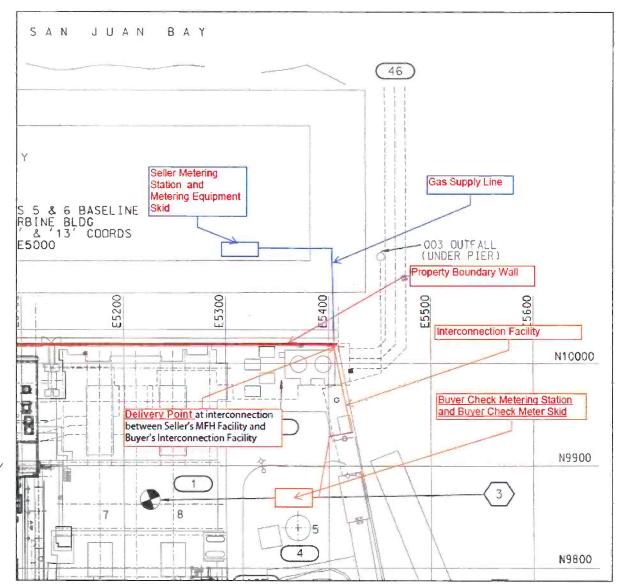
MHPSA and each BOP Contractor shall submit for evaluation and approval by Buyer a quality control programme and establish a quality assurance programme, also to be evaluated and approved by Buyer, to satisfy all applicable regulations and requirements specified in the procurement documents. Such programmes shall contain all those measures necessary to assure that all basic technical requisites set forth in the drawings, codes, tests, and inspections for design, fabrication, cleaning, installation, packing, handling, shipping, long-term storage, when necessary, and test equipment are fulfilled. Buyer reserves the right to conduct audits and inspections to the facilities, activities, and/or documents when estimated and without previous notification necessary in order to assure that the quality control programme is adequate and is being properly implemented.

MHPSA and each BOP Contractor shall allow Buyer access to its facilities and documents, so that Buyer, through audits and inspections, can verify the quality of the labor, equipment, products, services, and any other related items provided by MHPSA or the relevant BOP Contractor (as applicable). In every case in which the materials or services to be furnished to Buyer are subcontracted partially or totally by MHPSA or the relevant BOP Contractor (as applicable), MHPSA or the relevant BOP Contractor (as applicable) shall request the subcontractor to accept and comply with all the requirements of this Quality Assurance Article.

ARTICLE 26. Export Control. Buyer shall not re-export any products created by the Works by members of Seller Group or a Contractor.

Annex B

Delivery Point



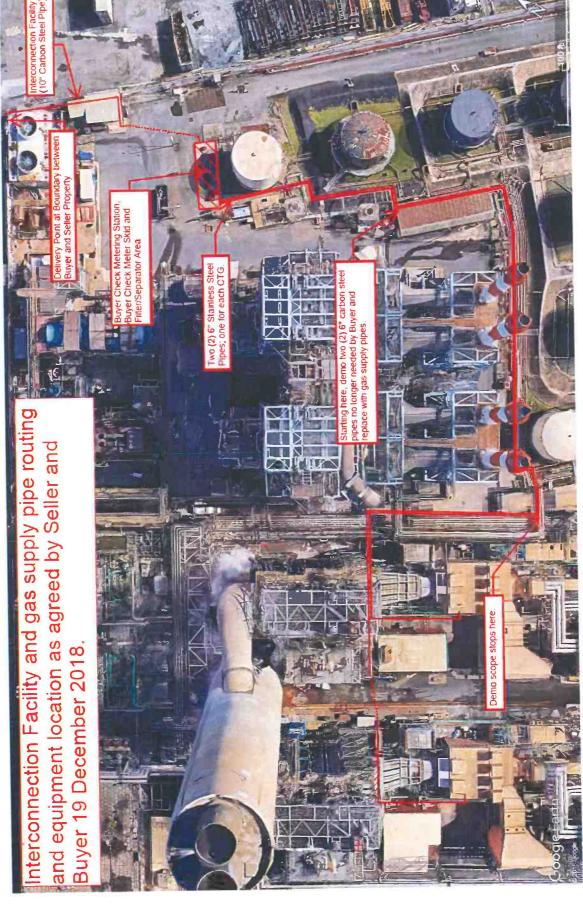
ANNEX C SELLER'S AND BUYER'S SITE DIAGRAMS; EACH PARTY'S PROPERTY

M M

N10000 Buyer Check Metering Station and Buyer Check Meter Skid LESSON Extremestron Facility Property Boundary Wall Gas Supply Line - 003 JUTFALL (UNDER PIER) 46 0 CO F 57 4 Delivery Point at interconnection between Seller's MFH Facility and Buyer's Interconnection Facility Seller Metering
Station and
Metering Equipment
Skid E2300 ≻ ∀ 8 œ \$ 5 & 6 BASELINE 8 88INE 8LDG & 13 COORDS 15000 Z JUA E2500 Z ⋖

N9800

0066N



ANNEX D OPERATIONS COMMITTEE AND CONSTRUCTION COMMITTEE

Operations Committee

SELLER	BUYER	
Brannen McElmurray	Radamés Alvarado	
Simon Duncan	Javier Soto Suárez	
Carlos A. Faris Ambert	Gary Germeroth	

<u>Construction Committee</u>

SELLER	BUYER
Brannen McElmurray	José Molina
Sam Abdalla	Jorge Sánchez
Winnie Irizarry	Jaime Umpierre



Annual Contract Quantity

Month	Estimated	Dispatch	Scheduled Maintenance
	Nomination (TBTU)		
June 2019	1.12	Baseload	Commissioning - SJ 6
July 2019	2.22	Baseload	-
August 2019	2.21	Baseload	-
September 2019	2.09	Baseload	-
October 2019	2.22	Baseload	•
November 2019	2.11	Baseload	-
December 2019	1.12	Baseload	Environmental Compliance
January 2020	1.13	Baseload	Environmental Compliance
February 2020	2.10	Baseload	-
March 2020	2.16	Baseload	-
April 2020	1.12	Baseload	Combustion Inspection - SJ 5
May 2020	2.13	Baseload	-
Estimated ACQ	21.73		



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EXHIBIT A

PERMITS AND OBLIGATIONS

Buyer's Obligations Prior to Seller Beginning Works

Obligation	Date
EQB Construction Air Permit (SJ Units 5&6)	April 5, 2019
Buyer provides Seller with limited notice to proceed (LNTP) to begin demolition,	March 15, 2019
rehabilitation of existing pipe supports, site-clearing, grading, and on-site storage of equipment and	_
materials.	
Buyer Provides Seller with full notice to proceed (FNTP)	April 15, 2019

Buyer's Obligations

Obligation	Date
LNTP Issued, and NFE granted site access to begin Preparatory Works	March 15, 2019
FNTP Issued and MHPSA granted site access with all Buyer Permits in hand	April 15, 2019
MHPSA granted access to open / shut down Unit 6	May 1, 2019
MHPSA granted access to open / shut down Unit 5	June 1, 2019 (subject to Substantial
	Completion of Unit 6)

Seller's Obligations Before Starting Construction

Obligation Seller to perform a land survey and deliver results to Buyer

Buyer Permits

Permit Name
EQB Construction Air Permit (SJ Units 5&6)

Seller Permits

ATTITUT TOTAL
Permit Authorization under NPDES General Permit for Discharges from Construction Activities
Consolidated General Permit (MFH Facility)
EQB Construction Air Permit (MFH Facility)
EQB Air Emissions Operation Permit (MFH Facility)
Use Permit (MFH Facility)

EXHIBIT B SPECIFICATIONS

Natural Gas delivered by Seller shall satisfy the following conditions at the Delivery Point:

- a. Sulfur content less than 1 gr/100 scf
- b. Pressure Range between 400 and 660 psig at gas turbine inlet; fluctuation range restricted to \pm 1 psi
- c. Temperature at gas turbine inlet higher than 41°F
- d. Compliance with "Gas Fuel Specification Natural Gas for Diffusion Combustor Application - MHPS PROPRIETARY INFORMATION STANDARD DOCUMENT IBSTD-10011 R3.0"

Assuming the above conditions have been satisfied, and Buyer's equipment configuration is Mitsubishi 501F Class gas turbines, below is a sample gas chromatograph reading with illustrative data that would be available to Buyer at the Seller metering skid:

ISO Analysis

Company : NFE NORTH HOLDINGS' Firmware Revision, Checksum : 2.2.4, 201 Reference Temperature - Combustion Deg.C Reference Temperature - Metering Deg.C Calorific Value - Units Component Name Mole Percent C6+ 47/35/17 0.0038% Propane 0.2722% 1-Butane 0.0350%	lysis time : : : : : : : : : : : : : : : : : : :	Analysis 1 3149886 Secondary 15.0 15.0		Exan : 180.00 sec ne : 12/19/2018	:
Stream : Stream 1 Mode Analyzer : 729528 Stre Company : NFE NORTH HOLDINGS' Firmware Revision, Checksum : 2.2.4, 201 Reference Temperature - Combustion Deg.C Reference Temperature - Metering Deg.C Calorific Value - Units Component Name Mole Percent C6+ 47/35/17 0.0038% Propane 0.2722% 1-Butane 0.0350%	E : : : : : : : : : : : : : : : : : : :	Analysis 1 3149886 Secondary 15.0 15.0			
Company : NFE NORTH HOLDINGS' Firmware Revision, Checksum : 2.2.4, 201 Reference Temperature - Combustion Deg.C Reference Temperature - Metering Deg.C Calorific Value - Units Component Name Mole Percent C6+ 47/35/17 0.0038% Propane 0.2722% i-Butane 0.0350%	Primary 15.0 15.0 MJ/m3 Relative Density 0.0001 0.0041 0.0007	3149886 Secondary 15.0 15.0			
Firmware Revision, Checksum: 2.2.4, 201 Reference Temperature - Combustion Deg.C Reference Temperature - Metering Deg.C Calorific Value - Units Component Name Mole Percent C6+ 47/35/17 0.0038% Propane 0.2722% 1-Butane 0.0350%	Primary 15.0 15.0 MJ/m3 Relative Density 0.0001 0.0041 0.0007	Secondary 15.0 15.0			
Reference Temperature - Combustion Deg.C Reference Temperature - Metering Deg.C Calorific Value - Units Component Name Mole Percent C6+ 47/35/17 0.0038% Propane 0.2722% i-Butane 0.0350%	Primary 15.0 15.0 MJ/m3 Relative Density 0.0001 0.0041 0.0007	Secondary 15.0 15.0			
Calorific Value - Units Component Name	15.0 15.0 MJ/m3 Relative Density 0.0001 0.0041 0.0007	15.0 15.0			
Reference Temperature - Metering Calorific Value - Units Deg.C Component Name Mole Percent C6+ 47/35/17 0.0038% Propane 0.2722% 1-Butane 0.0350%	15.8 M3/m3 Relative Density 0.0001 0.0041 0.0007	15.0			
Calorific Value - Units Component Name	M3/m3 Relative Density 0.0001 0.0041 0.0007				
Component Name Mole Percent C6+ 47/35/17 0.0038% Propane 0.2772% i-Butane 0.0350%	Relative Density 0.0001 0.0041 0.0007	M3/m3			
C6+ 47/35/17 0.0038% Propane 0.2722% i-Butane 0.0350%	Density 0.0001 0.0041 0.0007				
Propane 0.2722% i-Butane 0.0350%	0.0001 0.0041 0.0007				
Propane 0.2722% i-Butane 0.0350%	0.0041 0.0007				
i-Butane 0.0350%	0.0007				
n_Rutona 0.033797	0.0006				
Neopentane 0.0008%	9.0000				
i-Pentane 0.0076%	0.0002				
n-Pentane 0.0034%	0.0001				
Nitrogen 0.0088%	0.0001				
Methane 96.4182%	0.5341				
Carbon Dioxide 0.0000%	0.0000				
Ethane 3.2179%	0.0334				
TOTALS 199.9999%	0.5735				
'*' indicates user-defined components					
Primary Compressibility Factor(Z) @ 1.0	1325 BarA and	15.0 Deg.C *	0.99783		
Base Pressure	1.013	25 BarA			
Real Relative Density Gas - Primary =	0.574				
		10 kg/m3			
Real Gas Density - Primary - Total Unnormalized Mole Percent -	99.55				
		-			
ACTIVE ALARMS					
Alarm Name			Alarm State		

M An

ANALOG INPUTS

Analog Input

Value 0.009 0.900

EXHIBIT C FUEL PRICE

"Fuel Price" (per MMBtu) shall be equal to the Unit Cost plus Unit Fuel Cost, where:

(a) <u>Unit Cost</u>:

Except as otherwise provided in Clause 13.3:

During the Transitional Supply Period and months 1-12 of the Initial Contract Term, \$8.50/MMBtu (the "Base Cost")

During months 13-24 of the Initial Contract Term, \$7.50/MMBtu

During months 25 until the end of Initial Contract Term, \$6.50/MMBtu

During any Extension Term, an amount per MMBtu to be agreed

(b) <u>Unit Fuel Cost</u>:

Gas Index Price multiplied by one hundred fifteen percent (115%).

"Gas Index Price" with respect to any Day, means the final settlement price (in USD per MMBtu) for the New York Mercantile Exchange's Henry Hub natural gas futures contract for the month in which the Day occurs.

In addition to the Fuel Price per MMBtu calculated in accordance with the formula set forth above, Buyer shall pay each month during the Initial Contract Term the applicable monthly instalment of the Natural Gas Manufacturing Surcharge described in <u>Article XII</u>, in accordance with the provisions of <u>Article XIII</u>.

EXHIBIT D NATURAL GAS MANUFACTURING SURCHARGE AMOUNT AND DISCOUNTED SURCHARGE AMOUNT

See tables, attached, subject to Article XII.



Discount Rate	6.00%			
	Beginning of 100	Scheduled Natural Gas	Natural Gas Manufacturing	Discounted
Period	Period	Manufacturing Surcharge	Surcharge Amount	Surcharge Amoun
1 2	\$50,000,000.00	\$833,333.33	\$49,166,666.67	\$42,699,257.91
3	\$49,166,666.67	\$833,333.33	\$48,333,333.34	\$42,075,254.04
4	\$48,333,333.34	\$833,333.33	\$47,500,000.01	\$41,448,130.31
5	\$47,500,000.01	\$833,333.33	\$46,666,666.68	\$40,817,870.96
6	\$46,666,666.68	\$833,333.33	\$45,833,333.35	\$40,184,460.32
7	\$45,833,333.35 \$45,000,000.02	\$833,333.33 \$833,333.33	\$45,000,000.02	\$39,547,882.63
8	\$44,166,666.69	•	\$44,166,666.69	\$38,908,122.04
9	\$43,333,333.36	\$833,333.33	\$43,333,333.36 \$42,500,000.03	\$38,265,162.66
10	\$42,500,000.03	\$833,333.33 \$833,333.33		\$37,618,988.47
11	\$42,500,000.03	\$833,333.33	\$41,666,666.70 \$40,833,333.37	\$36,969,583.42
12	\$40,833,333.37	\$833,333.33	\$40,000,000.04	\$36,316,931.34
13	\$40,000,000.04	\$833,333.33		\$35,661,016.00
14	\$39,166,666.71	\$833,333.33	\$39,166,666.71	\$35,001,821.08
15	\$38,333,333.38		\$38,333,333.38	\$34,339,330.19
16	\$37,500,000.05	\$833,333.33	\$37,500,000.05	\$33,673,526.85
17	\$36,666,666.72	\$833,333.33	\$36,666,666.72	\$33,004,394.48
18	\$35,833,333.39	\$833,333.33	\$35,833,333.39	\$32,331,916.46
19	\$35,000,000.06	\$833,333.33	\$35,000,000.06	\$31,656,076.05
20	\$34,166,666.73	\$833,333.33	\$34,166,666.73	\$30,976,856.43
21		\$833,333.33	\$33,333,333.40	\$30,294,240.71
22	\$33,333,333.40 \$32,500,000.07	\$833,333.33	\$32,500,000.07	\$29,608,211.92
23		\$833,333.33	\$31,666,666.74	\$28,918,752.98
24	\$31,666,666.74	\$833,333.33	\$30,833,333.41	\$28,225,846.75
25	\$30,833,333.41	\$833,333.33	\$30,000,000.08	\$27,529,475.99
26	\$30,000,000.08	\$833,333.33	\$29,166,666.75	\$26,829,623.37
27	\$29,166,666.75	\$833,333.33	\$28,333,333.42	\$26,126,271.49
28	\$28,333,333.42 \$27,500,000.09	\$833,333.33	\$27,500,000.09	\$25,419,402.85
29	\$26,666,666.76	\$833,333.33 \$833,333.33	\$26,666,666.76	\$24,708,999.87
30	\$25,833,333.43	\$833,333.33	\$25,833,333.43	\$23,995,044.87
31	\$25,000,000.10	\$833,333.33	\$25,000,000.10 \$24,166,666.77	\$23,277,520.10
32	\$24,166,666.77	\$833,333.33		\$22,556,407.71
33	\$23,333,333.44	\$833,333.33	\$23,333,333.44 \$22,500,000.11	\$21,831,689.75
34	\$22,500,000.11	\$833,333.33	\$21,666,666.78	\$21,103,348.20 \$20,371,364.94
35	\$21,666,666.78	\$833,333.33	\$20,833,333.45	\$19,635,721.77
36	\$20,833,333.45	\$833,333.33	\$20,000,000.12	\$18,896,400.39
37	\$20,000,000.12	\$833,333.33	\$19,166,666.79	
38	\$19,166,666.79	\$833,333.33	\$18,333,333.46	\$18,153,382.39 \$17,406,649.31
39	\$18,333,333.46	\$833,333.33	\$17,500,000.13	\$16,656,182.56
40	\$17,500,000.13	\$833,333.33	\$16,666,666.80	\$15,901,963.47
41	\$16,666,666.80	\$833,333.33	\$15,833,333.47	\$15,143,973.29
42	\$15,833,333.47	\$833,333.33	\$15,000,000.14	\$14,382,193.16
43	\$15,000,000.14	\$833,333.33	\$14,166,666.81	\$13,616,604.13
44	\$14,166,666.81	\$833,333.33	\$13,333,333.48	\$12,847,187.16
45	\$13,333,333.48	\$833,333.33	\$12,500,000.15	\$12,073,923.09
46	\$12,500,000.15	\$833,333.33	\$11,666,666.82	\$12,073,923.09
47	\$11,666,666.82	\$833,333.33	\$10,833,333.49	\$10,515,776.68
48	\$10,833,333.49	\$833,333.33	\$10,000,000.16	\$9,730,855.57
49	\$10,000,000.16	\$833,333.33	\$9,166,666.83	
50	\$9,166,666.83	\$833,333.33	\$8,333,333.50	\$8,942,009.85 \$8,149,219.90
51	\$8,333,333.50	\$833,333.33	\$7,500,000.17	
52	\$7,500,000.17	\$833,333.33	\$6,666,666.84	\$7,352,466.00 \$6,551,728.34
53	\$6,666,666.84	\$833,333.33	\$5,833,333.51	\$5,746,986.98
54	\$5,833,333.51	\$833,333.33	\$5,000,000.18	
55	\$5,000,000.18	\$833,333.33	\$4,166,666.85	\$4,938,221.92 \$4,125,413.03
56	\$4,166,666.85	\$833,333.33		\$4,125,413.03
57	\$3,333,333.52	\$833,333.33	\$3,333,333.52 \$2,500,000,10	\$3,308,540.10
58	\$2,500,000.19		\$2,500,000.19	\$2,487,582.81
59	\$1,666,666.86	\$833,333.33 \$833,333.33	\$1,666,666.86 \$833,333.53	\$1,662,520.72
· ·	Ψ1,000,000.00	φουσιμούσιου	φυσο,σοσ.σο	\$833,333.33

Example

Invoicing and Payment

Illustrative Schedule for one pay period:

- Seller flows Gas
- Seller tenders invoice to Buyer on the 10th day of the following month; invoice may include the Fuel Price, Manufacturing Surcharge, applicable taxes due for payment by the Buyer, other charges owed, less a Mitigation Sale or other sale of any excess nomination, less any Carryover Credit
- Buyer pays invoice 30 days after receiving such invoice

	V.	Ge	neric	June	Trans	
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	Joeddige H	000000000000000000000000000000000000000		14-15-1-15-15-15-15-15-15-15-15-15-15-15-1	901-91-04-21 (111-15)

	Vector	Ger	neric]	uly		
S	M	T	W	T	F	S
di ci sana		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

	1.12	Gene	ric A	ugust		
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
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Example

invoicing and Fayment: Section 15.2		THE RESIDENCE OF THE PARTY OF T
Illustrative Pricing Example for a pay period in Year 1:		
Gas Index Price ⁽¹⁾	\$/MMBtu	\$3.021
(x) Factor	%	115.00%
Unit Fuel Cost	\$/MMBtu	\$3.474
(+) Unit Cost ⁽²⁾	\$/MMBtu	\$8.500
Fuel Price	\$/MMBtu	\$11.974
(x) Monthly Nominated Quantity(3)	MMBtu	2,083,333
[a] Gas Cost	\$	\$24,946,145.83

^{(1) &}quot;Gas Index Price" with respect to any Day means the final settlement price (in USD per MMBtu) for the New York Mercantile Exchange's Henry Hub natural gas futures contract for the Month in which the Day occurs.

⁽³⁾ Buyer may request additional quantities, but the price of such quantity will be determined pursuant to Section 7.4(a)(iv).

Price	\$/MMBtu	\$0.000
(x) Additional Quantity	MMBtu	0
[b] Plus: Additional Gas Cost	\$	\$0.00
[c] Plus: Natural Gas Manufacturing Surcharge	\$	\$833,333.34
[d] Plus: Applicable Taxes Due for Payment by the Buyer	\$	\$0.00
[e] Less: Mitigation Sale or Other Sale of Any Excess Nomination	\$	\$0.00
		Top or the
[F] Less: Carryover Credit	<u> </u>	\$0.00
Total Invoice	<u></u>	\$25,779,479.17



⁽²⁾ As defined in the Fuel Supply Agreement, the Unit Cost is subject to change per Section 13.3.



Example

End date

NFEnergia LLC 111 W 19th Street, 8th Floor New York, NY 10011 United States of America

Bill To	
Puerto Rico Power Authorit	y
P.O. Box 363928	
San Juan	
Puerto Rico	
00936-3928	
Billing Period No.	Start date

Invoice Date	Due Date	Invoice	
7/10/2019	8/9/2019	PREPA00001A	

1	6/1/2019	6/30/2019					
Products & Other Charg	es		Quantity (MMBtu)	Price	Amount (US\$)		
Description:	Description:						
Manufactured Natural G	as made available, pursua	nt to the Fuel Sale and Pu	rchase Agreement, to Unit	ts 5 and 6.			
Quantities:							
Monthly Nominated Qua	antity		2,083,333				
Additional Quantity			0				
Gas Cost:							
Gas Index Price				\$3.021			
(x) Factor				115.00%			
Unit Fuel Cost				\$3.474			
(+) Unit Cost				\$8.500			
Gas Cost			2,083,333	\$11.974	\$24,946,145.83		
Additional Quantities:							
Additional Gas Cost			0	\$0.000	\$0.00		
Natural Gas Manufactur	ing Surcharge:						
Monthly Amount					\$833,333.34		
Other:							
Applicable Taxes Due for	r Payment by the Buyer				\$0.00		
Other:							
Credit for Mitigation Sale	or Other Sale of Any Exc	ess Nomination			\$0.00		
Other:	ŕ						
1	or Forced Outage ("Carry	over Credit ")			\$0.00		
Total Invoice					\$25,779,479.17		
1 Otal HIVOICE					Ψωσ,117,π13,11		

Contract Number

Cash Wire Instructions - USD

Bank Name: JP Morgan Chase Bank, NA

Bank Routing Number: 021000021

Beneficiary Account Name: Scotiabank de Puerto Rico

Beneficiary Account Number: 001058975

For Further Credit Account Name: NFEnergia LLC

For Further Credit Account Number: 071006094388

New Fortress Energy Contact

Jack Finlay

Chief Financial Officer

(441) 296 9954

Certification

We certify under penalty of nullity that no public servant of Buyer 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 delivery of goods or for the Services provided is the agreed-upon price that has been negotiated with an authorized representative of Buyer. The total amount shown on this invoice is true and correct. The Services have been rendered, and no payment has been received.

Authorized Signatory

Volume

Example

"Gas Index Price" with respect to any Day means the final settlement price (in USD per MMBtu) for the New York Mercantile Exchange's Henry Hub natural gas futures contract for the Month in which the Day occurs. See Platt's Gas Daily cut-out below which illustrates October pricing. Additionally, the following website can be used to see pricing: https://business.directenergy.com/market-insights/nymex-settlement-history

1

GASDARY

NATURAL GAS FUTURES

NYMEX October gas futures contract drops 6.1 cents, expires at \$3.021/MMBtu

THURSDAY, SEPTEMBER 27, 2018

The NYMEX Cotober gas futures contract expired at \$3.021/MMBtu
Wednesday, down 6.1 cents day on day as production hit a new high in
the week thus far.

The front-month contract traded between \$2,981/MMBtu and \$3.088/MMBtu.

The November contract settled at \$2.98/MMBtu Wednesday, down 7.8 cents, a day before it rolls as the front-month.

US dry gas production hit a record high of 84.4 Bcf Tuesday, largely driven by a production rise in the Northeast, according to S&P Global Platts Analytics. Production averaged 83.6 Bcf/d in the past seven days, and with these historically high production levels, the market seems to have shrugged off concerns about the storage deficit.

Platts Analytics estimates output will drop 1.6 Bcf on day to 82.8 Bcf Wednesday. In September to date, production has averaged 83.3 Bcf/d, up 9.7 Bcf from year-ago levels.

Total US demand is estimated to remain relatively flat, averaging 76.4 Bcf/d in the week to date. Platts Analytics estimates demand to average 76 Bcf/d over the next two weeks, with the National Weather Service calling for a likelihood of moderate temperatures across much of the country over the next eight to 14 days.

Power demand is estimated to fall nearly 1 Bcf to 30.8 Bcf Wednesday. Gas-fired power burn is estimated to average 29.5 Bcf/d over the next seven days, down from 33.2 Bcf/d in the past week.

With production showing no signs of slowing down and seasonal demand flattening during the shoulder season, storage may see some strong injections before the winter demand hits and offset some of the production increases.

However, a consensus of analysts surveyed by S&P Global Platts expects a 61-Bcf injection for the week that ended September 21, about 25 Bcf below the storage build seen for the previous week. Current national gas stocks sit at 2.722 Tcf, at a 17.7% deficit to the five-year average of 3.308 Tcf for the same time period.

— <u>Veda Chowdhury</u>

MONTH-AHEAD TEMPERATURE FORECAST MAP



NYMEX HENRY HUB GAS FUTURES CONTRACT, SEP 26

High Low

Settlement

Oct 2018	3.021	3,088	2.981	-0.061	8136
/o∧ 50 ; 8.	2,980	3.062	2.966	-0.078	135344
Dec 2018	3,062	3,134	3.050	-0.087	19926
Jan 2019	3,145	3.215	3.136	-0.084	15421
Feb 2019	3.089	3.145	3.077	-0.047	5253
Mar 2019	2.922	2.954	2.896	-0.030	8743
Apr 2019	2.641	2.549	2.514	-0.003	8728
May 2019	2.608	2,514	2.58	700.0	1421
Jun2019	2.538	2.540	2.610	0.003	438
Jul 2019	2.670	2.673	2.643	0.004	785
Aug 2019	2.57	2.573	2.644	0.004	1514
Sep 2019	2.553	2.655	2.625	0.005	1324
Oct 2019	2.57	2.573	2.843	3.005	1851
Nov 2019	2.717	2.723	2.589	0.005	571
Dec 2019	2.840	2.842	2.814	9.006	341
Jan 2020	2.933	2.935	2.905	0.007	355
Feo 2020	2.886	2,399	2.876	-0.002	73
Mar 2020	2.787	2.782	2.744	-0.012	299
Apr 2020	2.520	2.521	2.502	0.005	117
May 2020	2.492	2,493	2,475	0.007	30
Jun 2020	2,520	2.520	2.513	0.008	3
Jul 2020	2,550	2.550	2.549	0.008	4
Aug 2020	2,555	2.555	2.555	0.008	9
Sep 2020	2.539	2.539	2.539	0.008	0
Oct 2020	2555	2.555	2.547	0.008	0
Nov 2020	2.608	2.608	2.608	9.008	٥
Dec 2020	2.734	2.734	2.734	0.008	0
Jan 2027	2.837	2.848	2.837	0.009	3
Feb 2021	2.799	2.799	2.799	0.006	a
Mar 2021	2.715	2.715	2.7'5	-0.001	0
Apr 2021	2.475	2.475	2.475	0.012	0
May 2021	2,445	2,445	2.445	0.012	0
Jun 2021	2.476	2,476	2,476	0.011	0
Jul 2021	2.509	2,509	2,509	0.011	0
Aug 2021	2,522	2.715	2.715	0.009	0
Sep 2021	2514	2.514	2514	0.009	0

Volume of contracts traded: 560,755
Front-months open interest:

Oct, 8,971; Nov, 297,215; Dec, 175,953 Total ocen interest: 1,821,489

Data is provided by a third-party vendor and is accurate as of 5:30 pm Eastern time.

NYMEX PROMPT MONTH FUTURES CONTINUATION



Note: The entire wick of the candlestick depicts the high and low daily front-month Henry Hub futures price range. The body of the candlestick depicts the price range between the cene and close, with and candlestick indicating a close on the downside and a green candlestick indicating a close on the ringh and.

US GAS STORAGE SURPLUS vs ROLLING 5-YEAR AVERAGE



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EXHIBIT F PERFORMANCE GUARANTEES AND REQUIRED TESTING

Seller shall require MHPSA to guarantee that, as of Substantial Completion of a Unit, for each item set out in the column captioned "Guaranteed Item (Full Load)" (the "Guaranteed Item"), such Unit complies with the criteria set out in the column captioned "Guaranteed Result" (the "Guaranteed Result"), based on the fuel and timing condition set out in the column captioned "Timing/Fuel", in each case as set forth in the table below.

PERFORMANCE BASIS			
Guaranteed Item (Full Load)	Timing/Fuel	Guaranteed Result	Contractor Remedy
Change in GT Output	Oil fuel before and after conversion	No worse	LDs
Change in GT Heat Rate	Oil fuel before and after conversion	No worse	LDs
Change in GT Output	Gas fuel vs. oil fuel following conversion	+1%	Remedial Action
Change in GT Heat Rate	Gas fuel vs. oil fuel following conversion	0	LDs
Change in GT Exhaust Flow	Gas fuel vs. oil fuel following conversion	-0.75%	LDs
Change in GT Exhaust Temp	Gas fuel vs. oil fuel following conversion	No change	LDs
NOx Emissions (base load)	Gas fuel after conversion	< 25	Remedial Action
CO Emissions (base load)	Gas fuel after conversion	< 10	Remedial Action

To establish satisfaction of each Guaranteed Result prior to Substantial Completion of a Unit, Seller shall require MHPSA, in cooperation with PREPA, to conduct the Required Tests (i) before and after performance of the Works on such Unit, and (ii) in accordance with American Society of Mechanical Engineers Performance Test Code 22. A Unit undergoing a Required Test shall have a clean air inlet filter housing, air inlet duct, inlet filters and compressor. The Required Test results shall be corrected back to the following conditions:

- 1. Ambient temperature of 85 degrees Fahrenheit
- 2. Relative humidity of 70%
- 3. Barometric pressure of 14.696 psi
- 4. Power factor of 1.0

Seller shall exercise commercially reasonable efforts to ensure that MHPSA has, and causes its contractors and agents to agree to, terms concerning its guarantees and Required Testing in accordance with this Exhibit F. Seller shall not amend, vary, supplement, replace or waive the testing and commissioning provisions it has agreed with MHPSA without the prior written consent of Buyer (which Buyer will not unreasonably withhold or delay). Seller shall enforce all of its rights under any agreement with MHPSA in respect of a Unit's inability to meet a Guaranteed Result or MHPSA's performance in accordance with the Scope of Work, and shall fully pass through to Buyer all liquidated damages that Seller recovers from MHPSA in respect of any Guaranteed Items identified as having "LDs" in the column captioned "Contractor Remedy" of the table above.

Additionally, Seller shall use commercially reasonable efforts to (i) make PREPA an express third party beneficiary to the guarantees in this Exhibit F that are given by MHPSA pursuant to its agreement with Seller and (ii) ensure that all Seller's rights pursuant to the guarantee provisions of its agreement with MHPSA are freely assignable to PREPA, such that PREPA may have direct recourse against MHPSA for any failure by MHPSA to satisfy the performance guarantees set forth in this Exhibit F.

A p a o re fe

EXHIBIT G BACK-UP FUEL QUANTITY

The Back-up Fuel Quantity in barrels (BBLs) of diesel shall be calculated by dividing:

(a) the Daily Contracted Quantity in MMBtu

by

(b) the number of MMBtu per BBL from the sample test report from the diesel supply cargo.



EXHIBIT H SCOPE OF WORK

This Exhibit H covers the project description, scope of work and supply, and specifications included under this Agreement. The equipment, materials, and installation covered by this Exhibit H will be incorporated into the SJ 5&6 Units. The plant consists of two (2) one-on-one combined cycle units that currently operate on #2 diesel fuel and are being modified by Seller's contractors, subcontractors and agents to also operate on natural gas.

Scope of Work

The Works under these specifications shall include the procurement, construction, construction management, commissioning, testing, and startup of the systems and components. Seller's contractors, subcontractors and agents shall provide or cause to be provided materials and tools, labor, construction fuels, construction chemicals, administration and other services and items required to complete the Works. Seller's contractors, subcontractors and agents shall be responsible for receiving, unloading, storing, installing, commissioning, and testing of all equipment and components in accordance with original equipment manufacturer (OEM) requirements and these specifications. The Works shall include the following:

- 1. Furnishing all materials, labor, incidentals, equipment, and accessories as required to complete the scope of work described herein.
- 2. Receive at site; inspect; inventory; unload, place in, maintain, and remove from storage; protect from weather and damage; clean; dry; transport into place; and install all materials and equipment.
- 3. Furnish and erect all temporary structural steel and lifting lugs required for structural steel, piping, and equipment erection.
- 4. Pressure test all piping installed under this Agreement per ASME B31.1 Power Piping.
- 5. Plan, coordinate, and execute startup and commissioning activities for the equipment and systems installed under this Agreement.
- 6. Maintain complete set of as-built drawings and turn over to Buyer upon completion of Works in accordance with the Agreement.

Civil/Structural Scope

- 1. Restore site grading and surfacing disturbed by Seller's contractors, subcontractors and agents to preexisting conditions.
- 2. Furnish and install concrete foundations, anchors, embedments, shims, and grout as required to level and support equipment and structures.
- 3. Furnish and install steel structures and accessories.



4. Furnish and install all coatings and touch-up coatings as required by these specifications.

Mechanical Scope

- 1. Furnish and install components associated with the fuel gas supply system as indicated on P&ID 199399-CFGA-M2381A and B from the LNG interface terminal point (TP-1) to the combustion turbine interface point at the fuel gas control valve skid located inside each CTG enclosure.
- 2. Furnish and install control air from existing control air header(s) to the new airactuated valves indicated on the fuel gas supply system P&ID.
- 3. Furnish and install catalytic systems on one unit to control emissions of nitrogen oxides and carbon monoxide. The catalytic systems will be comprised of Selective Catalytic Reduction (SCR) and oxidation catalyst (OxCat), and shall be designed to allow the operators of San Juan Units 5 & 6 to comply with applicable environmental regulations (including annual operating limits). systems shall employ commercially proven technologies designed for the combustion of natural gas and distillate fuel oil. The SCR system shall be designed to use an aqueous solution of ammonia as a reagent at a concentration that does not trigger requirements of Section 112(r) of the Clean Air Act. The system shall not be designed for anhydrous ammonia.

Instrumentation Scope

Furnish, install, and wire instrumentation shown on the fuel gas supply system P&ID 199399-CFGA-M2381A and B.

Electrical Scope

- 1. Furnish and install cable, raceway, motor starters, and circuit breakers, as required, to provide power to two (2) new CTG hydraulic pump skids (one new skid per CTG) from the existing CTG electrical enclosures.
- 2. Furnish and install necessary components to bond new skids and components to the existing plant ground grid.

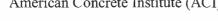
Combustion Turbine Gas Conversion Modifications

Refer to MHPSA proposal included after page 8 of this Exhibit H.

Codes and Standards

The codes and industry standards used for design, fabrication, and construction are listed below and will be the editions, including all addenda, in effect as of the date of this Agreement. Other recognized standards may also be used by Seller's contractors, subcontractors and agents as design, fabrication, and construction guidelines when not in conflict with the listed standards.

American Concrete Institute (ACI)



- American Institute of Steel Construction (AISC)
- American Iron and Steel Institute (AISI)
- American National Standards Institute (ANSI)
- American Society of Mechanical Engineers (ASME)
- American Society for Testing and Materials (ASTM)
- American Welding Society (AWS)
- Concrete Reinforcing Steel Institute (CRSI)
- Institute of Electrical and Electronics Engineers (IEEE)
- Instrument Society of America (ISA)
- Insulated Cable Engineers Association (ICEA)
- National Electrical Safety Code (NESC) or National Electric Code (NEC)
- National Fire Protection Association (NFPA)
- Occupational Safety and Health Administration (OSHA)
- 2018 Puerto Rico Building Code
- American Gas Association (AGA)
- American Petroleum Institute (API)
- National Association of Corrosion Engineers (NACE)

Site Meteorological and Seismic Data

Works shall be designed according to the following building code and site conditions:

General Design Data:			
Building Code	2018 Puerto Rico Building Code (Based on the 2018 International Building Code with amendments. References ASCE 7-05)		
Occupancy Category	III		
Site Elevation (Mean Sea Level), ft (m)	+7 feet (MSL)		
Wind Design Data:			
Basic Wind Speed, V, Nominal 3 second gust wind speed at 33 ft (10 m) above ground for Exposure C category, mph (m/s)	As specified in 2018 Puerto Rico Building Code		
Exposure Category	As specified in 2018 Puerto Rico Building Code		
Topographic Factor, Kzt	As specified in 2018 Puerto Rico Building Code		
Importance Factor (Wind Loads), I	As specified in 2018 Puerto Rico Building Code		
Seismic Design Data:			
Short Period Mapped Spectral Acceleration, S _s	As specified in 2018 Puerto Rico Building Code		
One Second Period Mapped Spectral Acceleration, S ₁	As specified in 2018 Puerto Rico Building Code		

Site Class	As specified in 2018 Puerto Rico Building Code
Seismic Design Category	As specified in 2018 Puerto Rico Building Code
Importance Factor (Seismic Loads), Ie	As specified in 2018 Puerto Rico Building Code

Scope of Supply

The following is not meant to limit the Scope of Work, nor is it an exhaustive discussion or list of the scope of supply. The intention of the following is to clarify the intent and key provisions of the scope of supply, which is further described in Section 4 of the MHPS Scope of Work Document, included with this Agreement.

Seller will deliver vaporized LNG through one 10" carbon steel pipe to the Delivery Point in Buyer's property, as identified in ANNEX B. The Delivery Point is the point at which the financial custody of the gas transfers to Buyer. For this purpose, MHSPA or a BOP Contractor will design and construct a metering station (shall be four-path gas ultrasonic flow meter, Daniel SeniorSonic 3414 model) located at the front of the condensate tank 7-8. The readings of this metering station will be compared to the metering station on Seller's side. This metering station shall include a flow computer that will communicate to the Buyer's Ovation control system through fiber optic cable. Seller's gas chromatograph installed in Seller's metering station shall also communicate to the Buyer's Ovation control system through fiber optic cable. The gas will be delivered to the SJ 5&6 Units through two six inches pipes from Buyer's metering station. Piping will be stainless steel downstream of the gas absolute separators, as shown on the fuel gas supply system P&ID 199399-CFGA-M2381B.

Seller has selected floating storage units sized to meet the 7-day storage requirement. Vaporizers will be installed at Seller's side to provide the required fuel gas flow. Piping connections and fire protection system upgrades will be included for the expansion of the facility's vaporization and delivery capacity.

Seller is responsible in procuring new balance-of-plant systems necessary to support the project and combustion turbine modifications, including the fuel gas supply system. Such related systems are to transfer the natural gas from the LNG facility at wharfs A and B to the combustion turbines supplied by MHPSA. The new balance-of-plant systems will be designed, constructed, and tested in accordance appropriate codes and standards referenced above.

The fuel gas supply system will be designed to deliver natural gas to each combustion turbine. The system will be constructed of seamless, carbon and stainless steel piping, all welded construction with flanged isolation valves including an emergency, air-actuated isolation valve. The system will be designed to operate at nominal conditions of 525 psig and 48 degrees F. A gas absolute separator for each six inches stainless steel pipe line will be provided upstream of the gas supply interface connection with combustion turbines, between the financial custody metering station and gas turbines.

Seller is also responsible for procuring the mechanical conversions of the SJ 5&6 Units, including the fire protection system inside turbine enclosure of each unit. The conversion is going to be

designed, installed and commissioned by MHPSA, the original equipment manufacturer, as more fully described later in this document. The conversion modifications include new dual fuel nozzles DF42 (provided by PREPA), fuel gas metering (Coriolis type), integration to existing control system (DCS Ovation) expansion to accommodate monitoring, control, and operation of the dual fuel systems; modifications to existing liquid fuel systems including liquid fuel metering system, fuel oil injection pump skid, purge air system, sweep air/sweep gas systems, and hydraulic control oil skid.

The MFH Facility will be designed to accommodate safe start up, shut down and load ramp rates for the SJ 5&6 Units. During the plant start up, natural gas will be supplied at the required pressure to the gas turbines by controls designed to maintain vaporization in line with the demand. The plant DCS Ovation control system will be integrated with the MFH Facility, metering stations, gas turbines' fuel flow meters, and fire protection systems. Similarly, when the power plant trips, the DCS control system integration will ensure that the gas pressure in the piping and equipment will remain within the design limits for a safe shutdown. During the ramp up and ramp down of gas turbines, the LNG vaporizer system is designed to maintain the system pressure in a steady state mode. The system is designed with double redundancy for high reliability and availability of the power plant.

Provide catalytic systems on one unit to control emissions of nitrogen oxides and carbon monoxide. The system(s) shall be installed with all necessary infrastructure and integrated with the human machine interface (HMI). Any improvements and modifications to the heat recovery steam generator (HRSG) required to accommodate the catalytic systems shall be furnished by the Seller.

Seller is responsible for procuring the system integration with the plant's DCS control system. The integration shall be in coordination with MHPSA and Emerson-Ovation.

The following provides a summary of the scope of supply.

Financial custody fuel gas metering station (Buyer Property)

- a. One four-path gas ultrasonic flow meter, Daniel SeniorSonic 3414 model
- b. Flow computer with redundant processors, with communication to DCS control system
- c. Isolation valves
- d. Operation, maintenance and calibration procedures
- e. Gas leak sensors
- f. Audible and visible emergency alarms
- g. One set of non-sparking maintenance tools
- h. Roof, Light Fixtures (LED)
- i. Integration for two ways communications to Plant's DCS control system through fiber optic cable
- j. Ladder logic
- k. Calibration Certified by Independent Laboratory
- 2. Metering station fenced with gate for control access (TWIC compliance)

- 3. Three hand held gas leak sensors
- 4. Communication to Gas Chromatograph (located at Seller's side) through fiber optic cable connection to DCS control system
- 5. Fuel gas absolute separators
 - 6. Furnish and install catalytic systems on on unit to control emissions of nitrogen oxides and carbon monoxide. The system shall be integrated with the turbine control system.
- 7. TFA support from MHPSA for construction, commissioning and field services (PREPA boundary)
- 8. Digital control system integration two ways communication: TFA support from emerson ovation system (within PREPA and Seller Boundaries)
- 9. Gas Pipeline Purging, Validation and Commissioning Procedures
- 10. Welding procedures, welder's procedure qualifications records, quality inspections reports
- 11. Deliverables (2 cd's and two hard copies 24x36)
 - a. Civil and structural drawings
 - b. Electrical drawings
 - c. One line diagrams
 - d. Mechanical drawings
 - e. P&ID's
 - f. As built drawings
 - g. Technical specifications
 - h. Vendors list of equipment
 - i. Warranties of equipment
 - j. Operations, maintenance, and part list manual of all equipment and parts within PREPA boundary
 - k. NDT reports
 - 1. Commissioning reports for all systems

General Coating Requirements

Coating Select	ion - Atmospheric Ser	vice Category					
Section	Section Description		Coating System Number	Codes ⁽²⁾			
1.0	Structural Steel						
1.1	Outdoor columns, beams, girders, trusses, channels, and other structural members	≤200 (≤93)	1719	EPZ/EPS/EPS/ URA			
2.0	Pipe and Welded Lu	gs					
2.1	Carbon Steels and L	Carbon Steels and Low Alloy (≤9% Cr) Steels					
2.1.1	Uninsulated	≤200 (≤93)	1720	EPS/EPS/URA			

Coating Select	ion - Atmospheric Ser	vice Category				
Section	Description	Design Temp °F (°C) ⁽¹⁾	Coating System Number	Codes ⁽²⁾		
2.1.2		>200 (>93) ≤1,000 (≤538)	1613	IZ/SLA		
2.1.3	Insulated	>25 (>-4) <350 (<175)	No coating			
2.1.4		>350 (>175)	No coating			
2.1.5	Underground Pipe	≤200 (≤93)	3301	EPB		
2.1.6	Underground Fittings and Field Girth Welds	≤200 (≤93) 3011		SPC/SPC		
2.2	Stainless Steels and I	High Nickel Alloys				
2.2.1	Uninsulated	All	No coating			
2.2.2	2.2.2 Insulated		No coating			
2.2.3	2.2.3		No coating			
2.2.4	Underground Pipe	≤200 (≤93)	3301	EPB		
2.2.5			3011	SPC/SPC		
3.0	Bulk Valves, Fittings, Pumps, Compressors, Rotating Equipment, and Other Mechanical Equipment Not Specified Otherwise	All	Manufacturer's Standard Coating			

Coating Selec	ction - Atmospheric Ser	vice Category		
Section	Description	Design Temp °F (°C) ⁽¹⁾	Coating System Number	Codes ⁽²⁾
4.0	Civil/Structural/ Architectural Surfaces and Equipment Not Specified Otherwise	All	Manufacturer's Standard Coating	
5.0	Electric Motors and Equipment Not Specified Otherwise	All	Manufacturer's Standard Coating	
6.0	Instrumentation and Control Panels Not Specified Otherwise	All	Manufacturer's Standard Coating	

- 1. Based on continuous operating temperature.
- 2. EPB Epoxy, fusion bonded
 - EPS Epoxy
 - EPZ Epoxy zinc
 - IZ Inorganic zinc
 - SLA Silicone acrylic
 - SPC Special
 - URA Polyurethane

Coating System Data Sheets								
Drawing Number	Rev.	Title/Description						
81113-DM-0691_1613	2	Coating System Data Sheets - System 1613 - Inorganic Z (IZ)/ Silicone Acrylic (SLA)						
81113-DM-0703_1719	0	Coating System Data Sheets - System 1719 - Epoxy Zinc (EPZ)/Epoxy (EPS)/Epoxy (EPS)/Polyurethane (URA)						
81113-DM-0704_1720	0	Coating System Data Sheets - System 1720 - Epoxy (EPS)/Epoxy (EPS)/Polyurethane (URA)						

Coating System Data Sheets						
Drawing Number	Rev.	Title/Description				
81113-DM-0662_3011	3	Coating System Data Sheets - System 3011 - Adhesive Primer (SPC)/Cold Applied Tape (SPC)				
81113-DM-0664_3301	4	Coating System Data Sheets - System 3301 - Epoxy, Fusion Bonded (EPB)				





Inorganic Zinc (IZ)/Silicone Acrylic (SLA)

Project	Energy-Std-2-03880-01420					
Description Inorganic zinc primer with ambient temperature cured high temperature finish						
Surfaces	Carbon steel					

	First Coat	Touchup	Second Coat	Third Coat	
VOC Limits	4.17 lb/gal (500 g/L)	4.17 lb/gal (500 g/L)	3.5 lb/gal (420 g/L)	3.5 lb/gal (420 g/L)	

Approved Products	Coating manufacturer review/approval.	Coating manufacturers and products other than those listed herein are subject to Engineer's review/approval.							
Manufacturer	First Coat	Touchup	Second Coat	Third Coat					
Carboline	Carbozinc 11 Series	Carbozinc 11 Series Carbozinc 11 Series Interzinc 22 Interzinc 22		N/A					
International	Interzinc 22			Intertherm 50					
PPG	Dimetcote 9	Dimetcote 9	Hi-Temp 1000 V	N/A					

Surface	SSPC-SP10/NACE No. 2 Near-White Metal Blast Cleaning
Preparation	Profile depth 1 mil (25 µm) to 2 mils (50 µm)
	Profile to be verified by Contractor using ASTM D4417 Method C. Welds to be prepared in accordance with NACE RP0178, Appendix C, Designation "E."

Dry Film Thick	ness (DFT)						
	Generic Coating Type Minimum DI		Maximum DFT	Shop (S) or Field (F) Applied	Remarks		
First Coat	1Z	2 mils (50 μm)	3 mils (75 μm)	S			
Touchup	1Z 2 mils (50 μm)		3 mils (75 μm)	S, F	SSPC-SP11 Power Tool Cleaning to Bare Metal (bare metal or rusted areas).		
Second Coat	SLA	Per manufacturer's recommendation	Per manufacturer's recommendation	S, F			
Third Coat	SLA	1 mil (25 μm)	1.2 mils (30 µm)	S, F	International paint only.		
Completed System	IZ/SLA	Per manufacturer's recommendation	Per manufacturer's recommendation		Dry film thickness to be verified in accordance with SSPC-PA2.		

BLACK & VEATCH		COATING	SYSTEM	1 DATA	SHEE	TS - SYSTE	M 1613	Drawing No 81113-DM-0		Rev 2	
REY	DATE	DATE REVISIONS AND	REVISIONS AND RECORD OF	ATE REVISIONS AND RECORD OF ISSUE BY APP REV DATE REVISIONS AN	S AND RECORD OF ISSUE	VISIONS AND RECORD OF ISSUE		ID RECORD OF ISSUE	BY	APP	
						0	03/29/13	Initial Issue		GMA	RHW
						1	06/19/15	General Re	vision	GMA	RHW
						2	02/10/16	General Re	vision	RJT	BPL



Epoxy Zinc (EPZ)/Epoxy (EPS)/Epoxy (EPS) Polyurethane (URA)

Project	Coating System and Blast Media Selection Procedure
Description	Epoxy zinc-rich primer/epoxy intermediate/epoxy intermediate/polyurethane finish; ISO 12944 C5·M (marine), M (medium) durability compliant
Surfaces	Carbon steel

Compliance and any restricted solvents for the point of application and, as required, for the site location.
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Approved Products	Coating manufactur review/approval.	rers and products other than those listed herein are subject to Engineer's						
Manufacturer	First Coat	Second Coat	Third Coat	Fourth Coat				
Carboline	Carbozinc 859	Carboguard 60	Carboguard 60	Carbothane 134 HG				
International	Interzinc 315	Intergard 475HS	Intergard 475HS	Interthane 990				
Jotun	Barrier Plus	Jotamastic 87	Jotamastic 87	Hardtop XP				
PPG	Amercoat 68H\$	Amercoat 410	Amercoat 410	Sigmacover 550H				

Surface Preparation	SSPC-SP 10/NACE No. 2, Near-White Metal Blast Cleaning; ISO 8501-1 Sa 2-1/2 Very Thorough Blast Cleaning Profile depth 2 to 3 mils (50 μm to 75 μm); sharp, angular profile
Remarks	Profile depth to be verified by Contractor using ASTM D4417, Method C; ISO 8503-1 Medium (G). Welds to be prepared in accordance with NACE SP0178, Appendix C, Designation "E." Dust and abrasives to be removed in accordance with ISO 8502-3, Rating 2 Maximum. Soluble salts to be removed in accordance with ISO 8502-6. Conductivity measured in accordance with ISO 8502-9 shall not exceed 100 mg/m² NaCl. Coating repairs and coating of welds shall be in accordance with manufacturer's published recommendations.

Dry Film Thic	kness (DFT)	1			
	Generic Coating Type	Minimum DFT	Maximum DFT	Shop (S) or Field (F) Applied	Remarks
First Coat	EPZ	3 mils (75 µm)	4 mils (100 μm)	S	Slip factor 0.50 minimum.
Second Coat	EPS	4 mils (100 μm)	6 mils (150 µm)	S, F	Do not coat faying surface.
Third Coat	EPS	4 mils (100 μm)	6 mils (150 μm)	S, F	Do not coat faying surface.
Fourth Coat	URA	2 míls (50 μm)	3 mils (75 μm)	S, F	Do not coat faying surface.
Completed System		13 mils (325 μm)	19 mils (475 μm)		Dry film thickness to be verified in accordance with SSPC-PA 2 or ISO 19840.

	ATCH					S - SYSTEM		Drawing No.		
DATE	REVISIONS AND	RECORD OF ISSUE	BY	APP	REV	DATE	REVISIONS AND	RECORD OF ISSUE	BY	APP
					0	12/29/17	Initial Issue		RJT	FY
	_		_	1	T				+-	
	DATE	DATE REVISIONS AND	DATE REVISIONS AND RECORD OF ISSUE	DATE REVISIONS AND RECORD OF ISSUE BY	DATE REVISIONS AND RECORD OF ISSUE BY APP	DATE REVISIONS AND RECORD OF ISSUE BY APP REV			DATE REVISIONS AND RECORD OF ISSUE BY APP REV DATE REVISIONS AND RECORD OF ISSUE	DATE REVISIONS AND RECORD OF ISSUE BY APP REV DATE REVISIONS AND RECORD OF ISSUE BY





Epoxy (EPS)/Epoxy (EPS)/Polyurethane (URA)

	T							
Project	Coating System and I	Coating System and Blast Media Selection Procedure						
Description		Epoxy primer, epoxy intermediate, and polyurethane finish; ISO 12944 C5-M (marine), M (medium) durability compliant						
Surfaces	Carbon steel	Carbon steel						
Regulatory Compliance	Products must comply with all regulations regarding volatile organic compound (VOC) content and any restricted solvents for the point of application and, as required, for the site location.							
Compilance	and any restricted so	· · · · · · · · · · · · · · · · · · ·	ppreadon and, as required, for the site location.					
Approved Products		·	nan those listed herein are subject to Engineer's					
•	Coating manufacture	·						
Approved Products	Coating manufacture review/approval.	rs and products other th	nan those listed herein are subject to Engineer's					
Approved Products Manufacturer	Coating manufacture review/approval. First Coat	rs and products other th	nan those listed herein are subject to Engineer's Third Coat					
Approved Products Manufacturer Carboline	Coating manufacture review/approval. First Coat Carboguard 893 SG	rs and products other the Second Coat Carboguard 893 SG	nan those listed herein are subject to Engineer's Third Coat Carbothane 133 LH					

Surface Preparation	SSPC-SP 10/NACE No. 2 Near-White Metal Blast Cleaning; ISO 8501-1 Very Thorough Blast Cleaning in accordance with Sa 2-1/2 Profile depth 2 to 3.4 mils (50 µm to 85 µm); sharp, angular profile meeting
Remarks	Profile to be verified by Contractor using ASTM D4417, Method C. Welds to be prepared in accordance with NACE SP0178, Appendix C, Designation "E."
	Dust and abrasives must be removed such that particle quantity and particle size do not exceed a rating of 2 in accordance with ISO 8502-3.
	Soluble salts to be removed in accordance with ISO 8502-6. Conductivity measured in accordance with ISO 8502-9 shall not exceed 100 mg/m² NaCl.

Dry Film Thic	kness (DFT)				
	Generic Coating Type	Minimum DFT	Maximum DFT	Shop (S) or Field (F) Applied	Remarks
First Coat	EPS	5 mils (125 μm)	7 mils (175 µm)	S, F	
Second Coat	EPS	5 mils (125 μm)	7 mils (175 μm)	S, F	Stripe edges and welds before applying a full second coat.
Third Coat	URA	3 mils (75 µm)	4 mils (100 μm)	S, F	
Completed System		13 mils (325 μm)	18 mils (450 μm)		Each coat must provide a significant color change under all light sources.
					Dry film thickness to be verified in accordance with SSPC-PA 2 or ISO 19840.

BLA	CK & VE	ATCH	COATIN	G SYSTEM	A DATA	SHEET	S - SYSTEM	1720	Drawing No. 81113-DM-07	04	Rev 0	
REV	DATE	REVISIONS AND	RECORD OF ISSUE	BY	APP	REV	DATE	REVISIONS AND	D RECORD OF ISSUE	BY	APP	
						0	12/29/17	Initial Issue		RJT	FY	
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Adhesive Primer (SPC)/Cold Applied Tape (SPC)

Project	Coating System and Blast Media Selection Procedure			
Description	Adhesive primer with AWWA C209 Type II cold applied tape finish (≤ 120° F; ≤ 49° C)			
Surfaces	Carbon steel or stainless steel			

		Products must comply with all regulations regarding volatile organic compound (VOC) content and any restricted solvents for the point of application and, as required, for the site location.
ĸ	compnance	and any reaction of the point of application and telemed, for the are tocasion.

Approved Products	Coating manufacturers and products other than those listed herein are subject to Engineer's review/approval.						
Manufacturer	First Coat	Touchup	Second Coat				
Berry Plastics	Polyken 1033a		Polyken 930-35				
Denso	Denso Butyl Primer		Denso Butyl 35 Tape				
Tapecoat	TC Omni-prime		H35 Gray				

Surface Preparation	SSPC-SP3 Power Tool Cleaning
Remarks	Welds to be prepared in accordance with NACE RP0178, Appendix C, Designation "E."

Dry Film Thickness (DFT)								
	Generic Coating Type	Minimum DFT	Maximum DFT	Shop (S) or Field (F) Applied	Remarks			
First Coat	SPC	1 mil (25 μm)	2 mils (S0 μm)	S, F				
Touchup		N/A	N/A					
Second Coat	SPC	56 mils {1,400 μm}	70 mils (1,750 μm)	S, F	Add moldable sealant to fill voids. 50 percent overlap.			
Completed System		57 mils (1,425 μm)	72 mils (1,800 µm)					

BLACK & VEATCH			COATING	SYSTEM	DATA :	SHEET	S - SYSTEM	3011	Drawing No. 81113-DM-066	2	Rev 3
REV	DATE	REVISIONS AND	RECORD OF ISSUE	BY	APP	REV	DATE	REVISIONS AND RECORD OF ISSUE		BY	APP
3	02/29/16	Biennial Re		GMA	BPL	0	06/01/08	Initial Issu	ue	BPL	RHW
						1	08/31/11	General F	Revision	GMA	RHW
						2	07/12/13	Expanded	to Stainless	GMA	RHW

BLACK & VEATCH Epo	y, Fusion Bonded (EPB)	Coating System 3301
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Project	Coating System and Blast Media Selection Procedure
Description	Fusion bonded epoxy
Surfaces	Carbon steel or stainless steel

	Products must comply with all regulations regarding volatile organic compound (VOC) content
Compliance	and any restricted solvents for the point of application and, as required, for the site location.

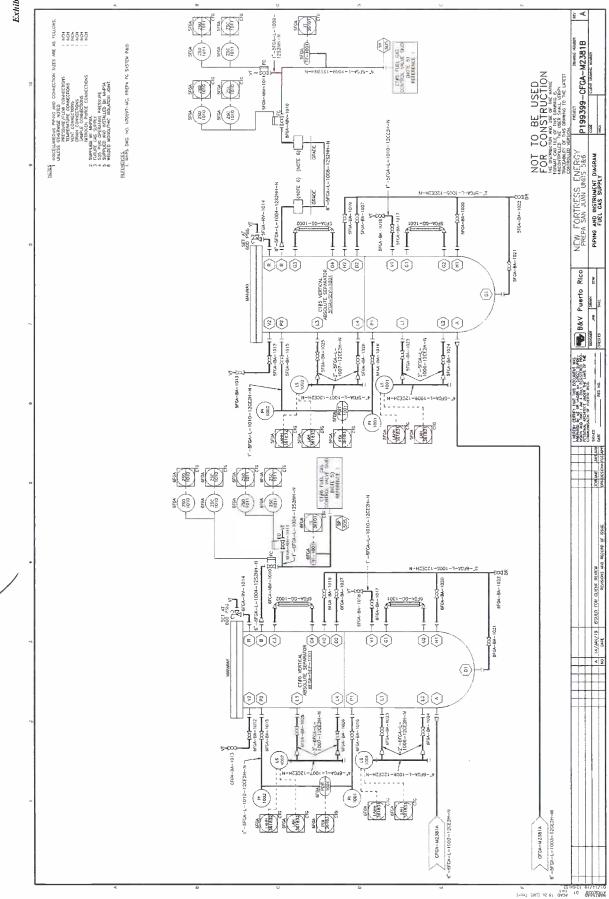
Approved Products	Coating manufacturers and products other than those listed herein are subject to Engineer's review/approval.						
Manufacturer	First Coat	Touchup					
3M	Scotchkote 6233	Scotchkote 323					
Valspar	Pipeclad 2000	Pipeclad 970G					

Surface Preparation	SSPC-SP 10/NACE No. 2 Near-White Blast Cleaning; ISO 8501-1 Sa 2-1/2 Very Thorough Blast Cleaning (Carbon Steel) SSPC-SP 16 Brush-Off Blast Cleaning of Non-Ferrous Metals (Stainless Steel) Profile depth 2 to 4 mils (50 μm to 100 μm)
Remarks	Profile depth to be verified by Contractor using ASTM D4417 Method C. Welds to be prepared in accordance with NACE SP0178, Appendix C, Designation "E."

	Generic Coating Type	Minimum DFT	Maximum DFT	Shop (S) or Field (F) Applied	Remarks
First Coat	EPB	14 mils (350 μm)	20 mils (500 μm)	S	
Touchup	EPS	25 mils (625 μm)	28 mils (700 μm)	S, F	SSPC-SP 11 Bare Metal Power Tool Cleaning.
Completed System		14 mils (350 μm)	20 mils (500 μm)		Dry film thickness to be verified in accordance with NACE SP0394. Holiday testing required in accordance with NACE SP049

BLACK & VEATCH COATIN			COATING	SYSTEM	DATA	SHEET	S - SYSTEM	3301	Drawing No. 81113-DM-066	54	Rev 4
REV	DATE	REVISIONS AND	RECORD OF ISSUE	BY	APP	REV	DATE	REVISIONS AND	RECORD OF ISSUE	84	APP
3	02/29/16	Biennial Rev	riew	GMA	BPL	0	06/01/08	Initial Issue		BPL	RHW
4	09/27/17	Updated an	d Added Valspar	RJT	BPL	1	06/30/09	Product Up	date	GRL	RHW
						2	07/12/13	Expanded to	o Stainless	GMA	RHW

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EXHIBIT I

PARENT LIMITED PAYMENT GUARANTEE

KNOW ALL MEN BY THESE PRESENTS, that we, NFENERGÍA LLC ("Principal"), and ATLANTIC ENERGY HOLDINGS LLC ("Surety"), are held and firmly bound unto PUERTO RICO ELECTRIC POWER AUTHORITY ("Obligee"), in the penal sum of up to, but not greater than, Thirty Million Dollars (\$30,000,000), lawful money of the United States (as such sum may be reduced pursuant to Section 2 or Section 5, the "Penal Sum"), to the payment of which well and truly to be made we hereby bind ourselves and our heirs, administrators, successors, and assigns, jointly and severally, firmly by these presents. This limited payment guarantee is made effective as of the Commissioning Start Date as defined in the Contract (the "Effective Date").

WHEREAS the above bound Principal has entered into that certain Fuel Sale and Purchase Agreement for the SJ 5&6 Units (the "Contract") with the above named Obligee, effective the [___] day of [_____], 2019, which Contract is hereby referred to and made a part hereof as fully and to the same extent as if copies at length were attached herein.

WHEREAS, in the event of a Natural Gas Deficiency (as defined in the Contract), Principal has agreed to pay Obligee certain amounts in accordance with the terms and conditions of Article IX of the Contract.

NOW THEREFORE, the condition of the obligations is such that if Principal and/or Surety has paid to Obligee all amounts that are due and owing to Obligee by Principal under Article IX of the Contract over the Contract Term (as defined in the Contract), then this limited payment guarantee shall be null and void, otherwise to be in full force and effect.

This limited payment guarantee is executed by Surety and accepted by Obligee subject to the following expressed conditions. Capitalized terms used herein and not defined herein shall have the meaning set forth in the Contract.

- 1. Obligee shall provide notice of Principal's failure to pay any undisputed amount due and owing under Article IX of the Contract ("**Default**") to both Principal and Surety, providing ten (10) business days for Principal to cure the Default. If Principal has not cured the Default within such period of time, then Obligee may make a Demand on this limited payment guarantee pursuant to Sections 2 and 3 below, in an amount not to exceed the Penal Sum. Any Demand for an amount that exceeds the Penal Sum shall be invalid to the extent that it exceeds the Penal Sum.
- 2. Subject to satisfaction of the requirements of Section 1, within fifteen (15) business days of Surety's receipt of a valid demand for payment under this limited payment guarantee ("Demand"), accompanied by the documentation referred to in Section 3 below, Surety shall pay to Obligee via wire transfer the amount stated in the Demand. Payment of a Demand by Surety shall constitute full satisfaction of all Claims against Principal in respect of which the Demand was made. Any Demand paid by Surety to Obligee in any Contract Year shall reduce the Penal Sum of this limited payment guarantee during such Contract Year.
- 3. Documentation to be provided to Surety in support of a Demand under this Guarantee shall be the following:
 - a. A photocopy of this limited payment guarantee.
 - b. A certificate, executed by a duly authorized representative of Obligee, that specifies the amount of the relevant Default.
 - c. All documentation (including invoices and records of nominations and natural gas or diesel quantities, quality and price) reasonably necessary to establish that the relevant amount is due and owing by Seller to Obligee under Article IX of the Contract.
- 4. The term of this limited payment guarantee is initially from the Effective Date to the conclusion of the Initial Contract Term. This limited payment guarantee will automatically renew for successive one (1) calendar year

terms following expiration of the previous term, unless cancelled by Surety by providing Principal and Obligee no less than sixty (60) calendar days written notice of cancellation. This limited payment guarantee shall terminate automatically upon termination of the Contract for any reason. Any notice of cancellation or termination of the limited payment guarantee pursuant to this Section 4 will not nullify or void any liability or indebtedness incurred or accrued by Principal and Surety named herein prior to said date of cancellation or termination.

5. The Penal Sum shall be automatically adjusted at the beginning of each Contract Year to the amount determined pursuant to the following formula:

Penal Sum = (\$30,000,000 x (ACQ/MCQ)) - P

Where

ACQ = The Annual Contract Quantity (as defined in the Contract) for the relevant Contract Year

MCQ = 25 TBtu

P = The aggregate of all amounts paid by Surety to Obligee hereunder during previous Contract Years

- 6. Surety's liability under this limited payment guarantee (a) shall in no event exceed the Penal Sum and (b) is strictly limited to payment of Default amounts in accordance with Section 2 hereof; it being agreed that Surety shall not be obligated to perform (and shall not be liable for any performance or failure to perform by Principal of) any other obligations of Principal pursuant to the Contract.
- 7. This limited payment guarantee is governed by the laws of New York (with exclusion of its choice of law rules). Any dispute arising from or in connection to this limited payment guarantee shall be finally settled by binding arbitration in accordance with the International Chamber of Commerce Rules then in force (ICC Rules). The seat of the arbitration shall be New York and the arbitration shall be conducted in the English language.

Rules). The seat of the arbitra language.	tion shall be New York and the	e arbitration shall be conducted
Signed, sealed and dated this	day of	,
ATTEST	BY	Principal
ATTEST	BY	Surety





COMMONWEALTH OF PUERTO RICO PUERTO RICO ELECTRIC POWER AUTHORITY

THIRD AMENDMENT

FUEL OIL PURCHASE CONTRACT 902-10-21

2022-P00020 C

APPEAR



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STATE

WHEREAS: PREPA, by virtue of Act 83, has the authority to engage those professional, technical and consulting services necessary and convenient to the activities, programs, and operations of PREPA. WHEREAS: The appearing Parties executed Contract 2022-P00020 October 29, 2021, and effective until October 30, 2022 (the "Contract"), with an approximate cost of \$605,923,692 (the "Contract Amount"). Through this Contract, Seller provides the supply of residual No. 6 fuel oil at the Aguirre, San Juan, Palo Seco and Costa Sur steam plants.-----WHEREAS: On December 31, 2021, the Parties executed the First Amendment to amend Article IX: Price, Section E, of the Contract, to temper the Platts data to be published as of January 1st, 2022 in relation to the way the price escalator is calculated.-WHEREAS: On August 9, 2022, the Parties executed the Second Amendment to amend Article IX, Price, Section M, to increase the approximate cost by \$959,407,755, from \$605,923,692 to \$1,565,331,447. WHEREAS: On September 9, 2022, PREPA's Fuels Office requested an amendment to extend the Contract for an additional year and amend the Btu content in Bunker C.-----**THEREFORE:** The appearing Parties hereby agree to enter into this Third Amendment under the following:-----

TERMS AND CONDITIONS

FIRST: The Parties agree to amend Article I, Scope and Term of Contract, Section C, to extend the Contract for one year.



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SECOND: The Parties agree to amend Article IX, Price, Section M, to increase the approximate cost by \$1,564,011,447, from \$1,565,331,447 to \$3,129,342,894. All payments to be made under this Contract, as amended, will be charged to account number 01-2321-23215-000-000.-----THIRD: The Parties agree to amend Article XI, Guaranteed Calorific Value, Section B, of the Contract, to read as follows:-----B. Any delivery by Seller, in which the fuel fails to meet such guarantee, the deficiency shall be determined in barrels, calculated on the basis of the example attached as Exhibit B of this Contract. The deficiency thus calculated shall serve as a credit deficiency for an equivalent number of barrels, before computing the fuel billings for such invoice. Due to the EPA IMO 2020 rule on January 2020, the production of Bunker C Fuel phased out to Bunker C Marine 0.5% Sulfur. As a result, the Btu content for this mixture is commonly below 150,000 Btu per gallon. The average Btu content received by PREPA during this contract is approximately 148,600 Btu per gallon, thus, this amount will be set temporarily as the minimum Btu content for deficiency calculation until a final approval by EPA is received by PREPA's Environmental Division for emission calculations purposes. Then, the minimum Btu approved by EPA should be used for the deficiency calculation and will amend the temporary minimum Btu content show above. Exhibit A should reflect these changes accordingly.-----FOURTH: The Parties agree to amend Article IX, Price, Section A, of the Contract, to read as follows:----





- 1. Filing of Puerto Rico Income Tax Returns
- 2. Payment of Puerto Rico Income Taxes



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- - a. A certification issued by the Bureau of Employment Security (Negociado de Seguridad de Empleo) of the Puerto Rico Department of Labor and Human Resources certifying that the Seller does not owe any amount regarding Unemployment or Disability Insurance.

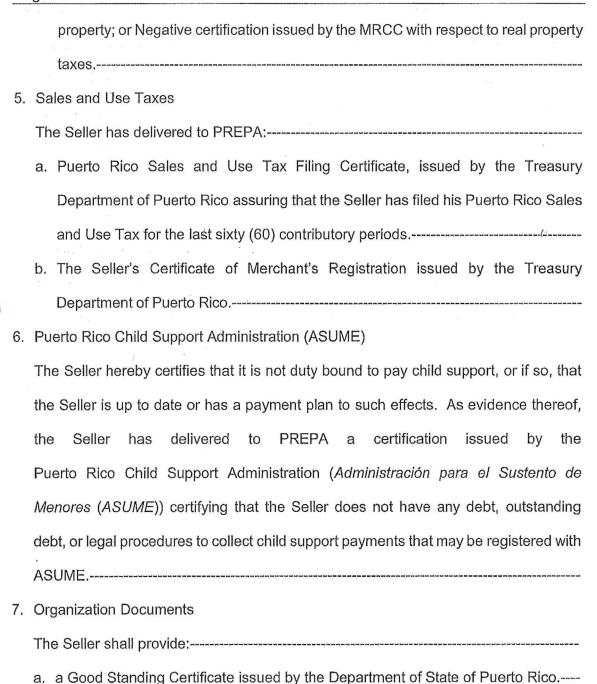


- b. A certification issued by the Program for Social Security for Chauffeurs and Other Employees of the Puerto Rico Department of Labor and Human Resources certifying that the Seller has no debt with respect to such program.
- 4. Real and Personal Property Taxes

- b. All Concepts Debt Certification issued by the MRCC assuring that the Seller does not owe any taxes to such governmental agency with respect to real and personal

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b. a Certification of Incorporation, or Certification of Organization or Certificate of
Authorization to do business in Puerto Rico issued by the Department of State of
Puerto Rico,------

8. Dispensation

Any and all necessary dispensations have been obtained from any government entity and that said dispensations shall become part of the contracting record.

9. Rules of Professional Ethics

The Seller acknowledges and accepts that it is knowledgeable of the rules of ethics of his or her profession and assumes responsibility for his or her own actions.-----



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The Seller hereby certifies that it has 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 (Act 1-2012), any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code (Act 146-2012), any of the crimes typified in Act 2-2018, or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017.



PREPA shall have the right to terminate this Contract in the event the Seller is convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, any of the crimes listed in Articles 250 through 266 of Act 146-2012, any of the crimes typified in Act 2-2018, or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017.

Consequences of Non-Compliance

The Seller expressly agrees that the conditions outlined throughout this Section are essential requirements of this Contract. Consequently, should any one of these representations, warranties or certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be enough cause for PREPA to render this Contract null and void. If any of the certifications listed in this Section shows a debt, and the Seller has requested a review or adjustment of this debt, the Seller hereby certifies that it has made such request at the time of the Contract execution. If the requested review or adjustment



payment under the Contract until the enumerated certifications and sworn statement are submitted to PREPA.

is denied and such determination is final, the Seller will provide, immediately, to PREPA

a proof of payment of this debt; otherwise, the Seller accepts that the owed amount be

offset by PREPA and retained at the origin, deducted from the corresponding payments.

SEVENTH: The Seller represents and warrants that the information included in the Contractor Certification Requirement is complete, accurate and correct, and that any misrepresentation, inaccuracy of falseness in such Certification will render the Contract null and void and the Seller will have the obligation to reimburse immediately to the



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Commonwealth any amounts, payments or benefits received from the Commonwealth under the Contract.

EIGHTH: In matters of this Contract, the transfer of skills and technical knowledge required by the Certified Fiscal Plan is inapplicable given the non-recurring or specialized nature of the contracted services.

NINETH: All other terms and conditions, specifications, stipulations, insurances, and requirements established in the Contract, as amended, shall remain unaltered and fully enforceable.

IN WITNESS WHEREOF, the Parties hereto have agreed to execute this Third Amendment in San Juan, Puerto Rico, on this 27 day of October, 2022.-

Puerto Rico Electric Power Authority

Josué A. Colón Ortiz Executive Director Tax ID: 660-43-3747 Puma Energy Caribe, LL

٤.

Mario Ricarde Sierra Varela

Director

Tax ID: 660-75-9525

mario.sierra@pumaenergy.com

Contractor Certification Requirement

The following certification shall be provided to the Oversight Board and the Commonwealth's Contracting Government Entity by the Chief Executive Officer (or equivalent highest rank officer) of each proposed contractor under contracts submitted for review:

1. The expected contractor's subcontractor(s) in connection with the proposed contract¹ is (are) the following:

N/A

2. Neither the contractor nor any of its owners², partners, directors, officials or employees, has agreed to share or give a percentage of the contractor's compensation under the contract 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:

N/A

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- 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 contract (such as the execution of a subcontract with contractor, beneficial treatment under the contract, or the written or unwritten promise of a gift, favor, or other monetary or non-monetary benefit).
- 5. Neither the contractor, 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 contract, in contravention of applicable law.

²For purposes of this certification, a contractor's "owner" shall mean any person or entity with more than a ten percent (10%) ownership interest in the contractor.



¹As used herein, the term "contract" is inclusive of any amendments, modifications or extensions.

Any incorrect, incomplete or false statement made by the contractor's representative
as part of this certification shall cause the nullity of the proposed contract and the
contractor must reimburse immediately to the Commonwealth any amounts,
payments or benefits received from the Commonwealth under the proposed contract.

The above certifications shall be 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: Mario Sierra Varela

Puma Energy Caribe LLC

Chairman PR & USVI

Date: 09/14/2022

Signature:

María C. Calderón Benítez

From:

Frances Adames Santiago

Sent:

Friday, October 28, 2022 1:42 PM

To:

María C. Calderón Benítez

Subject:

Fwd: Extensión de contrato 2022-P0020 (PO-91735)

Get Outlook for Android

From: Lorena Torres Miranda < LORENA. TORRES@prepa.com>

Sent: Friday, October 28, 2022 1:41:08 PM

To: Frances Adames Santiago <FRANCES.ADAMES@prepa.com>

Subject: Extensión de contrato 2022-P0020 (PO-91735)

Buenas tardes,

La vigencia de la extensión del contrato en cuestión es del 31 de octubre de 2022 @ 30 de octubre de 2023.

Atentamente,





Lorena Torres Miranda

BS, MBA, JD ADMINISTRADORA PREPA | OFICINA DE COMBUSTIBLE

787-521-4005 | 787-521-4174

& https://aeepr.com



[Native version sent by e-mail to PREB for upload to its website]







Prices Forecast Calculation Template

Date	20-Oct-22	
Date	20-Oct-22	

Diesel

month	Platts NY ULSD	Future Price/bbl
Oct-22		\$187.76
Nov-22	3.7568	\$168.49
Dec-22	3.4838	\$157.02
Jan-23	3.3742	\$152.42
Feb-23	3.2884	\$148.81
Mar-23	3.1996	\$145.08
Apr-23	3.1034	\$141.04

Bunker C

month	Platts 1.0%	Difference Ave.	Future Price/bbl	Day	Marine 0.5%	Marine 0.5% + 2.88	Platts 1.0% daily	Difference
Oct-22			\$109.89	14-Oct	107.64	110.52	84.08	26.44
Nov-22	82.18	25.97	\$108.15	17-Oct	107.64	110.52	84.19	26.33
Dec-22	81.40	25.97	\$107.37	18-Oct	106.38	109.26	83.75	25.51
Jan-23	80.75	25.97	\$106.72	19-Oct	107.64	110.52	84.92	25.60
Feb-23	80.20	25.97	\$106.17					0.00
Mar-23	79.65	25.97	\$105.62				Average	25.97
Apr-23	79.23	25.97	\$105.20				-	

LNG San Juan

month	Henry Hub	Future Price/MMBtu
Oct-22	6.868	15.39820
Nov-22	5.358	13.66170
Dec-22	5.838	14.21370
Jan-23	6.111	14.52765
Feb-23	5.928	14.31720
Mar-23	5.374	13.68010
Apr-23	4.618	12.81070

LNG CS + ECO

month	Henry Hub	Future Price/MMBtu
Oct-22	6.868	13.49820
Nov-22	5.358	11.76170
Dec-22	5.838	12.31370
Jan-23	6.111	12.52765
Feb-23	5.928	12.31720
Mar-23	5.374	11.68010
Apr-23	4.618	10.81070

Nomenclature

Platts NY = CME Group Platts NY Harbor ULSD Futures - Settlements

Platts 1.0% = CME Group Platts New York Harbor Residual Fuel 1.0% Futures - Settlements

Henry Hub = CME Group Henry Hub Natural Gas Futures - Settlements

Marine 0.5% + 2.88 = Platts 0.5% Dlvd US Atlantic Coast Barge + \$2.88 adder per barrel

Platts 1.0% daily = CME Group Platts New York Harbor Residual Fuel 1.0% Futures - Settlements for specific day on current month



[Native version sent by e-mail to PREB for upload to its website]







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Central Aguirre

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Número de entrega	Suplidor	Número de factura	Fecha de entrega	Fecha vencimiento	Cantidad	Precio	Subtotal	Btu's recibidos	Ajuste por Btu Patente Municipal	ente Municipal	Excise Tax Transportation Fees	portation Fees	Cantidad final
Residual Número 6													
902-10-21-AG-070 902-10-21-AG-071 902-10-21-AG-072	Puma Energy Puma Energy Puma Energy	220901-B 220904-B 220906-B	09/06/22 09/12/22 09/27/22	11/05/22 11/11/22 11/26/22	59,174.17 59,304.26 59,503.69	\$111.5000 \$112.9970 \$102.4200	\$6,597,919.96 \$6,701,203.47 \$6,094,367.93 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00	148,633 147,349 148,412	-\$60,128.61 -\$118,432.16 -\$64,519.48 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00	\$26,151.17 \$26,331.09 \$24,119.39 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00			\$6,563,942.52 \$6,609,102.40 \$6,033,967.84 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00
				H	177,982.12	\$108.9631	\$19,393,491.36		-\$243,080.25	\$76,601.65	\$0.00	\$1	\$19,227,012.76
Destilado Liviano (Diesel)													
902-11-21-AG-026	NOVUM Energy	111915	09/09/22	11/08/22	45,287.15	161.2500	\$7,302,552.94 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00	19,753		\$36,512.76 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00	\$76,082.41 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00	\$135,861.45	\$7,551,009.56 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00

	\$0.00							
19,753	\$7,302,552.94	161.2500	45,287.15	11/08/22	09/09/22	111915	NOVUM Energy	902-11-21-AG-026

902-11-21-AG-026	NOVUM Energy	111915	09/09/22	11/08/22	45,287.15	161.2500	\$7,302,552.94 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00	19,753	\$36,512.76 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00	\$76,082.41 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00	\$135,861.45	\$7,551,009.56 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00
Total Destilado Liviano (Diesel)					45,287.15	\$161.2500	\$7,302,552.94	\$0.00	\$36,512.76	\$76,082.41	\$135,861.45	\$7,551,009.56
Propano	Liquilux Liquilux Liquilux						\$0.00 \$0.00 \$0.00					\$0.00

\$0.00

\$0.00

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Inspecciones

Total Propano

SAYBOLT SAYBOLT

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Número de entrega	Suplidor	Número de factura	Fecha de entrega	Fecha vencimiento	Cantidad	Precio	Subtotal	Btu's recibidos	Ajuste por Btu Patente Municipal	inte Municipal	Excise Tax Transportation Fees	Cantidad final
Total Inspecciones												\$0.00
Laboratorios	SAYBOLT											
Total Laboratorios												\$0.00
Almacenaje CORCO			1 1		1 1							\$0.00
Total Almacenaje CORCO												\$0.00
Manejo CORCO												5
			'									\$0.00
Total Manejo CORCO												\$0.00
Total Central Aguirre				22	223,269.27	\$ 00000\$	\$0.0000 \$26,696,044.30		-\$243,080.25	\$113,114.41	\$76,082.41	\$26,778,022.32

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Central Costa Sur

Número de entrega	Suplidor	Número de factura	Fecha de entrega	Fecha vencimiento	Cantidad	Precio	Subtotal	Btu's recibidos	Ajuste por Btu Patente Municipal	ente Municipal	Excise Tax Transportation Fee		Cantidad final
Residual Número 6													
902-10-21-CS-022 902-10-21-CS-023 902-10-21-CS-024	Puma Energy Puma Energy Puma Energy	220902-B 220905-B 221001-B	09/06/22 09/15/22 09/28/22	11/05/22 11/14/22 11/27/22	119,680.83 194,707.53 180,383.40	\$111.5000 \$110.2800 \$104.2430	\$13,344,412.55 \$21,472,346.41 \$18,803,706.77	147,348 148,396 148,496	(235,929.54) (229,610.68) (188,538.06)	\$52,433.93 \$84,970.94 \$74,460.67		\$13 \$21 \$21 \$18	\$13,160,916.94 \$21,327,706.74 \$18,689,629.38
Total Residual Número 6 Núm. 6 transferido de CORCO 978 al TK950 Total Recibido en la Central	al TK950				494,771.76	\$108.3741 \$	\$53,620,465.72		-\$654,078.28	\$211,865.54	\$0.00	\$53,1	\$53,178,253.05
Destilado Liviano (Diesel)													
Total Destilado Liviano (Diesel)					\\.	\$0.000	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Propano					1		\$0.00						\$0.00

00.00	\$0.00		,598.89	\$27,924,909.56	,483.00		125.45
	00000			\$94.8648 \$27,924,			\$98.0810 \$47,152,025.45
ı	- \$0.		•	294,365.34 \$94			480,745.93 \$98.
				1-0ct-22 2			48
			1-Sep-22	1-Sep-22	1-Sep-22		
			2022-000055	2022-000055	2022-000055		
			Naturgy	Naturgy	Naturgy	Henry Hub \$6.551/MMBtu	
	Total Propano	Gas Natural	Costa Sur Delivery Point	Ecoeléctrica Delivery Point	Ecoeléctrica Terminal Credit	I	Total Gas Natural

\$0.00

\$19,481,598.89 \$27,924,909.56 -\$254,483.00

\$47,152,025.45

\$0.00

Inspecciones

Laboratorios

Total Laboratorios

Total Inspecciones

Central Costa Sur

Número de entrega	Suplidor	Fecha de Fecha Número de factura entrega vencimiento	Fecha de entrega	Fecha vencimiento	Cantidad	Precio	Subtotal	Btu's recibidos	Ajuste por Btu Patente Municipal	Excise Tax Transportation Fee	Cantidad final
Almacenaje CORCO					1 1						\$0.00
Total Almacenaje CORCO											\$0.00
Manejo CORCO					1 1						\$0.00
Total Manejo CORCO											\$0.00
Total Central Costa Sur				6	975,517.69	\$102.8482				15	\$100,330,278.50

Oficina de Combustibles Informe Mensual

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Central Palo Seco

Número de entrega	Suplidor		Fecha de entrega	Fecha de Fecha entrega vencimiento	Cantidad	Precio	Subtotal	Btu's recibidos	Btu's recibidos Ajuste por Btu Patente Municipal		se Tax	Excise Tax Transportation Fee	Cantidad final
Residual Número 6													
902-10-21-SIPS-034 (SIPS) 902-10-21-SIPS-034 (SIPS)	Puma Energy Puma Energy	220903-B 221002-B	09/08/22	11/06/22 11/27/22	<mark>95,374.79</mark> 68,599.22	\$110.0830 \$104.2430	\$10,499,143.01 \$7,150,988.49 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00	147,706 146,991	(143,448.79) \$35 (143,448.79) \$35	\$51,692.88 \$35,037.70 \$0.00 \$0.00 \$0.00 \$0.00			\$10,390,268.83 \$7,042,577.40 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00
Total Comprado Residual Número 6 Internal Transfer to SJ Total recibido en la Central	ro 6 PREPA				163,974.01 163,974.01	\$107.6398	\$17,650,131.50		-\$304,015.85 \$86	\$86,730.58	\$0.00		\$17,432,846.23

Destilado Liviano (Diesel)

902-11-21-SJPS-019	Novum	112043	09/21/22	11/20/22	24,551.98 \$	147.2518	\$3,615,323.25	19,666	\setminus	\$14,755.92	\$41,247.33	\$73,655.94	\$3,744,982.44
902-11-21-SJPS-020	Novum	112129	09/30/22	11/29/22	19335.82 \$	147.4372	\$2,850,819.16	18,988	\	\$11,635.31	\$32,484.18	\$58,007.46	\$2,952,946.11
96105-SJPS-001	PUMA Pipeline Transf	220902-1	09/25/22	11/24/22	25,368.10 \$	141.39	\$3,586,884.45	19,666		\$14,347.54	\$42,618.41		\$3,643,850.40
95549-SJPS-001	PUMA Pipeline Transfer	220901-1	08/31/22	10/28/22	13,952.23	161.2170	\$2,249,336.66	19,666	\	\$8,997.35	\$23,439.75		\$2,281,773.76
							\$0.00	١١	\setminus	\$0.00	\$0.00		\$0.00
							\$0.00	١ ١	\	\$0.00	\$0.00		\$0.00
							\$0.00	. 1	\	\$0.00	\$0.00		\$0.00
							\$0.00	۱ ۱	\	\$0.00	\$0.00		\$0.00
							\$0.00	١ ١	\	\$0.00	\$0.00		\$0.00
							\$0.00	1	\	\$0.00	\$0.00		\$0.00
Total Comprado Destilado Liviano (Diesel)	(Diesel)				83,208.13	\$147.8505	\$12,302,363.52		•	\$49,736.12	\$139,789.67	\$131,663.40	\$12,623,552.71
Propano													
	Liquilux		09/17/22	11/16/22	993.80	\$1.9800	\$1,967.72						\$1,967.72
	Liquilux		09/27/22	11/26/22	1,571.00	\$1.8088	\$2,841.62						\$2,841.62
	Liquilux												
	Liquilux												
	Liquilux												
	Liquilux												
Total Propago					61.07	\$78.7557	\$4.809.35						\$4.809.34

Inspecciones

Total Inspecciones

Laboratorios

\$0.00

Número de entrega	Suplidor	Fecha de entrega	Fecha vencimiento	Cantidad	Precio	Subtotal	Btu's recibidos	Aiuste por Btu Patente Municipal	Excise Tax	Excise Tax Transportation Fee	Cantidad final
Total Laboratorios											\$0.00
Almacenaje CORCO											
Total Almacenaje CORCO				,							\$0.00
Manajo CORCO											\$0.00
				1							\$0.00
Total Manejo CORCO				•							\$0.00

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Central San Juan

Número de entrega	Suplidor	Número de factura		Fecha de Fecha entrega vencimiento	Cantidad	Precio	Btu's Subtotal recibidos	Btu's recibidos	Ajuste por Btu	Patente Municipal	Excise Tax Transportation Fee Cantidad final	Cantidad final
Residual Número 6												
902-10-21-\$IP\$-033 (\$IP\$) 902-10-21-\$IP\$-034 (\$IP\$)	Puma Energy Puma Energy	220903-8 221002-8	09/08/22	11/06/22 11/27/22	54,684.20 60,892.90	\$110.0830 \$104.2430	\$6,019,800.79 \$6,347,658.57 \$0.00 \$0.00 \$0.00 \$0.00	147,706	(92,062.41) (127,333.87) - -	\$23,710.95 \$24,881.30 \$0.00 \$0.00 \$0.00 \$0.00		\$5,951,449.33 \$6,245,206.00 \$0.00 \$0.00 \$0.00 \$0.00
Total Residual Número 6 No. 6 transferido de Central Palo Seco Total Recibido en la Central	ilo Seco				115,577.10 115,577.10	\$107.0061 \$:	\$12,367,459.36		-\$219,396.28	\$48,592.25	\$0.00	\$12,196,655.33

	\$3,189,301,59 \$3,360,809.66 \$3,500,837.72 \$2,479,837.68 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00	;, 530,546.64 \$0.00
	62,731.80 66,024.69	\$128,756.49 \$12,530,546.64 \$0.00
	35,129,81 36,973.83 40,942.93 25,474.38	\$138,520.95
	\$12,316.49 \$12,979.33 \$12,979.33 \$13,783.49 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00	\$48,857.65
	19666 19666 19666 19666	\$0.00
	\$3,079,123.49 \$3,244,831.81 \$2,444,871.30 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00	\$12,214,411.55
	147.2518 147.4372 141.3935 161.2170	\$148.1380
	20,910,60 \$ 22,008,23 \$ 24,370,79 \$ 15,163,32 \$	82,452.94
	11/20/22 11/29/22 11/24/22 10/28/22	
	09/21/22 09/30/22 09/25/22 08/31/22	
	112043 112129 220902-1 220901-1	
	Novum Novum PUMA Pipeline Transfer PUMA Pipeline Transfer	
Destilado Liviano (Diesel)	902-11-21-5IPS-019 902-11-21-5IPS-020 96105-5IPS-001 95549-5IPS-001	Total Destilado Liviano (Diesel) Propano

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

\$0.000

Total Propano

Inspecciones

Total Inspecciones

\$0.00

Laboratorios

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Fecha
Fecha de

Número de entrega	Suplidor	Número de factura	Fecha de entrega	Fecha vencimiento	Cantidad	Precio	Subtotal	Btu's recibidos	Ajuste por Btu	Patente Municipal	Excise Tax Transportation Fee	Cantidad final
Total Laboratorios												\$0.00
												\$0.00
	NEW FORTRESS Additional Oty Aug		1-Sep-22 1-Sep-22		333,103.45	\$105.8848	\$35,270,592.00					\$35,270,592.00
Henry Hub	Credit Mitigation Aug Henry Hub \$6.551/MMBtu		1-Sep-22	1-0ct-22		\$134.0960	\$0.00					\$0.00
Total Gas Natural				m	333,103.45	\$105.8848 \$35,270,592.00	15,270,592.00				v	\$35,270,592.00
Manejo CORCO												\$0.00
Total Manejo CORCO					,							\$0.00
Total Central				ï	531 133 49	\$112 9618						\$59 997 793 97
				í								

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Central Cambalache

Cantidad final		\$7,288,170.08	\$6,730,087.13	\$42,046.00	\$39,843.01	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	00.0\$	90:05	00.05	\$0.00	00.0\$	00.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$14,100,146.22	
Excise Tax Transportation Fee		\$133,681.92	\$135,066.15	\$21.18	\$21.17	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	00 05	90.00	90.00	\$0.00	00.05	0000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	50.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$268,790.42	
Excise Tax Tra		\$74,861.88	\$75,637.04	\$395.93	\$395.74	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	00.05	00.0\$	00:00	00.05	80.00	9 6	\$0.00	20:00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	20.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$151,290.59	
Patente Municipal		\$28,738.28	\$33,106.72	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	00.0\$	00:05	00:05	00.05	00.05	00:00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$61,845.00	
Btu's recibidos Ajuste por Btu		17,71	19,733		\	\	\	\		\	\	\	\ \	/	\	/	\ \	\	/	\	/	\	\	\	\									\\	\	/	\	/	\	/	/	\	\	\	\	\\	\			\\	\	\$0.00	
Subtotal		\$7,050,888.00	\$6,486,277.22	\$41,628.89	\$39,426.10	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	00.0\$	00.05	00:05	00.05	00.0\$	00.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$13,618,220.21	
Precio		158.2313	144.0689	176.6406	167.3718																																															\$151.2230	
Cantidad		44,560.64	45,022.05	235.67	235.56																																															90,053.92	
Fecha vencimiento		11/04/22	11/04/22	10/21/22	10/21/22																																																
Fecha de entrega		09/06/22			09/21/22																																																
Número de factura		111874	112076	5421423554	5421423617																																																
Suplidor		NOVUM ENERGY	NOVUM ENERGY	Total	Total																																																
Número de entrega	Destilado Liviano (Diesel)	902-11-21-CAM-028	902-11-21-CAM-029	Camiones	Camiones																																																2000

\$0.00 Total

Laboratorios

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Número de entrega Suplidor	Suplidor	Número de factura	Fecha de entrega	Fecha vencimiento Cantidad	Cantidad	Precio	Subtotal	Btu's recibidos	Btu's Patente Subtotal recibidos Ajuste por Btu Municipal	Patente Municipal	Excise Tax Transportation Fee Cantidad final	Cantidad final
Total Laboratorios												\$0.00
Total Central				6	\$ 26.023.95	151.2230	\$151.2230 \$13,618,220.21				\$	314,100,146.22

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Central Mayagüez

Número de entrega	Suplidor	Número de factura	Fecha de entrega	Fecha vencimiento	Cantidad	Precio	Subtotal	Btu's recibidos	Ajuste por Btu	Patente Municipal	Excise Tax	Transportation Fee	Cantidad final
Destilado Liviano (Diesel)													
902-11-21-MAY-007	NOVUM ENERGY	111966	09/13/22	11/12/22	45,398.34	\$154.5563	\$7,016,599.46 \$0.00 \$0.00	19,645		\$28,066.40 \$0.00 \$0.00	\$76,269.21 \$0.00 \$0.00	\$136,195.02	\$7,257,130.09 \$0.00 \$0.00
Total Destilado Liviano (Diesel)					45,398.34	\$154.5563	\$7,016,599.46		\$0.00	\$28,066.40	\$76,269.21	\$136,195.02	\$7,257,130.09
Inspecciones													
Total Inconcrionee													0000
													00:00
Laboratorios													
Total Laboratorios													\$0.00
Almacenaje CORCO													
Total Almacenaje CORCO													\$0.00
Manejo CORCO		1 1											
Total Manejo CORCO													\$0.00
Total Central Mayagüez					45,398.34	\$159.8545							\$7,257,130.09

Central Mayagüez

	Cantidad final
ransportation	Fee
Ĕ	Excise Tax
Patente	Municipal
	Ajuste por Btu
Btu's	recibidos
	Subtotal
	Precio
	Cantidad
Fecha	vencimiento
Fecha de	entrega
Número de	factura
	Suplidor
	Número de entrega

\$136,195.02

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		Número de	Fecha de Fecha	Fecha				Btu's					
Número de entrega	Suplidor	factura	entrega	vencimiento	Cantidad	Precio	Subtotal	recibidos	Ajuste por Btu	Subtotal recibidos Ajuste por Btu Patente Municipal	Excise Tax	Transportation Fee	Cantidad final
No. 2 Fuel Oil													

Central Hidro-Gas

Número de entrega	Suplidor	factura	entrega	vencimiento	Cantidad	Precio	Subtotal	recibidos Ajuste por Btu	Patente Municipal	Excise Tax	Transportation Fee	Cantidad final
No. 2 Fuel Oil												
Daguao 902-11-21-DG-075 902-11-21-DG-076 902-11-21-DG-078 902-11-21-DG-079 902-11-21-DG-080 902-11-21-DG-081 902-11-21-DG-082 902-11-21-DG-083 902-11-21-DG-083 902-11-21-DG-085 902-11-21-DG-085	NOVUM ENERGY		09/08/22 09/12/22 09/13/22 09/15/22 09/15/22 09/24/22 09/26/22 09/26/22 09/26/22 09/26/22 09/26/22	10/08/22 10/12/22 10/13/22 10/15/22 10/16/22 10/24/22 10/25/22 10/26/22 10/26/22 10/28/22 10/30/22	472.19 706.47 942.55 706.35 470.60 470.94 471.72 471.72 471.84 684.69 1,604.73 1,840.08 1,836.17 1,365.44	158.5358 158.5050 155.4663 144.4359 141.5087 141.0465 143.7333 141.7584 142.0162 144.9789 148.7785 149.9253 148.3472	\$74,859.02 \$111,979.03 \$146,334.76 \$102,022.30 \$66,593.99 \$66,424.44 \$67,539.13 \$66,887.28 \$97,23.707 \$222,651.99 \$273,764.34 \$275,288.34 \$275,288.34 \$200 \$0.00 \$0.00 \$0.00 \$0.00	19,703 19,641 19,641 19,641 19,641 19,641 19,655 18,452 18,452	\$303.38 \$453.81 \$594.03 \$270.31 \$269.63 \$274.34 \$274.34 \$271.49 \$371.49 \$34.04 \$1,110.44 \$1,116.50 \$821.65 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00	\$11.86.87 \$11.86.87 \$11.86.67 \$11.86.67 \$790.61 \$790.00 \$0.0	\$986.88 \$1,476.51 \$1,969.96 \$1,476.28 \$983.56 \$983.56 \$983.56 \$986.13 \$1,431.01 \$3,353.94 \$3,837.60 \$2,833.77 \$2,853.77 \$2,853.77 \$1,000 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00	\$76,942.56 \$115,096.22 \$150,682.23 \$105,099.24 \$68,638.47 \$68,469.52 \$68,144.90 \$99,062.75 \$236,949.97 \$278,720.55 \$280,242.44 \$206,234.62 \$200,234.62 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00
Total Daguao					12,043.77	148.1597	\$1,784,400.89	//	\$7,238.28	\$6,332.09	\$25,171.57	\$1,823,142.83
902-11-21-JB-068 902-11-21-JB-069 902-11-21-JB-070 902-11-21-JB-071 902-11-21-JB-073 902-11-21-JB-073 902-11-21-JB-075 902-11-21-JB-076 902-11-21-JB-077	NOVUM ENERGY NOVUM ENERGY	111952 111954 111957 111999 112011 112017 112140 112142	09/08/22 09/09/22 09/12/22 09/13/22 09/14/22 09/15/22 09/17/22 09/28/22 09/30/22	10/08/22 10/09/22 10/12/22 10/13/22 10/14/22 10/15/22 10/15/22 10/28/22 10/39/22	708.06 708.29 706.47 707.14 1,412.24 470.94 470.94 471.44 470.70 212.02	\$158.358 \$158.3978 \$158.663 \$15.4663 \$144.4359 \$141.087 \$141.0465 \$149.9253 148.3472	\$112,252.86 \$112,191.58 \$111,979.03 \$109,936.44 \$211,48.00 \$68,020.64 \$99,906.56 \$66,424.44 \$70,140.14 \$70,569.84 \$31,452.57 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00	19,703 19,703 19,641 19,641 19,641 19,641 19,641 18,452 18,452	\$454.93 \$454.93 \$453.82 \$453.82 \$45.56 \$857.52 \$26.02 \$26.63 \$284.50 \$286.21 \$127.58 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00	\$1,189.54 \$1,186.87 \$1,186.00 \$2,372.56 \$791.18 \$1,186.10 \$791.18 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00	\$1,479.85 \$1,480.35 \$1,476.51 \$1,476.51 \$2,951.60 \$984.27 \$1,476.57 \$1,476.57 \$984.27 \$985.31 \$983.76 \$43.12 \$0.00 \$0.00 \$0.00 \$0.00	\$115,377.18 \$115,316.55 \$115,096.23 \$113,048.03 \$217,609.68 \$70,072.11 \$102,974.76 \$68,469.52 \$71,409.95 \$71,839.81 \$32,023.27 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00
							\$0.00		\$0.00	\$0.00	\$0.00 \$0.00 \$0.00	\$0.00
Total Jobos					7,044.25	151.0881	\$0.00 1,064,302.10	\	\$4,316.09	\$0.00 95.38	\$0.00 \$14,723.54	\$0.00 \$1,093,237.09
							2		idd	DDEDA ELIELS 20224047 043	7224047 043	20100100100

\$0.00

PREPA_FUELS_20221017_013

\$0.00

\$0.00

\$0.00

NOVUM ENERGY

Total Jobos Vega Baja

Hidro-Gas	
Central	

Número de entrega	Suplidor	Número de factura	Fecha de entrega	Fecha vencimiento	Cantidad	Precio	Subtotal	Btu's recibidos Ajuste por Btu l	Patente Municipal	Excise Tax	Transportation Fee	Cantidad final
							\$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00		00.00 00	\$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00		0008 0008 0008 0008 0008 0008
Total Vega Baja					00.0	#DIV/0!	0.00		000	0.00	00.0	00.00
Yabucoa												
902-11-21-YB-057	Novum	111949	09/08/22	10/08/22	472.19 \$	158.54	\$74,859.02	19,703	\$303.38	\$793.28	\$986.88	\$76,942.56
902-11-21-YB-058	Novum	111955	09/12/22	10/12/22		158.51	\$37,313.66	19,641	\$151.22	\$395.49	\$492.01	\$38,352.38
902-11-21-YB-059	Novum	111958	09/13/22	10/13/22	471.28 \$	155.47	\$73,268.16	19,641	\$297.01	\$791.75	\$984.98	\$75,341.90
902-11-21-YB-060	Novum	112000	09/14/22	10/14/22		149.71	\$70,486.98	19,641	\$285.88	\$790.98	\$984.02	\$72,547.86
902-11-21-YB-061	Novum	112012	09/15/22	10/15/22		144.44	\$34,001.66	19,641	\$137.97	\$395.49	\$492.01	\$35,027.13
902-11-21-YB-062	Novum	112015	09/16/22	10/16/22	~ .	141.51	\$66,625.13	19,641	\$270.44	\$200.6	\$984.02	\$68,670.57
902-11-21-YB-063	Novum	112018	09/17/22	10/17/22	235.41 \$	141.05	\$33,203.76 \$0.00	19,641	\$134.78	\$395.49	\$492.01 \$0.00	\$34,226.04
							\$0.00	/	\$0.00	\$0.00	\$0.00	\$0.00
							\$0.00	\\	\$0.00	\$0.00	\$0.00	\$0.00
							\$0.00	//	\$0.00	\$0.00	\$0.00	\$0.00
							\$0.00	/	\$0.00	\$0.00	\$0.00	\$0.00
							\$0.00	\\	\$0.00	\$0.00	\$0.00	\$0.00
							\$0.00	\\	\$0.00	\$0.00	\$0.00	\$0.00
					6	000	\$0.00	\	\$0.00	\$0.00	\$0.00	\$0.00
i otali Tabucoa					2,591.34	\$150.4080	7389,738.37		\$1,580.68	\$4,353.40	55,415.93	\$401,108.44
Vieques - Culebra								ວ <u>ົ</u>	Crude Oil + Spill Tax			
							\$0.00					\$0.00
Total No. 2 Fuel Oil					\$21,679.36	\$149.3799	\$3,238,461.36		\$13,135.05	\$20,580.91	\$45,311.04	\$3,317,488.36

Oficina de Combustibles Informe Mensual

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CORCO

Número de entrega	Suplidor	Número de factura	Fecha del servicio v	Fecha vencimiento	Cantidad	Precio	Btu's Subtotal recibidos	Ajuste M	Patente Municipal	Excise Tax	Cantidad final
Almacenaje CORCO							000	00		٠.	
Storage Fees No.5 Storage Fees No.2	CORCO						\$0.00	\$0.00 \$0.00		ፉ የ	
							\$0.00			φ φ	
							\$0.00			······································	
							\$0.00			· v · v	
							\$0.00			·ww	1 1
							\$0.00			· v> v>	
							\$0.00			· v · v	
							\$0.00			· v> v>	
Total Almacenaie CORCO											00.0\$
Manejo CORCO Handling Fees No.6	CORCO						\$0.00			v	,
Handling Fees No.2	CORCO						\$0.00			٠ ٠٠	
							\$0.00			\$	
							\$0.00			ww	
							\$0.00			\$	
							\$0.00			v, t	
							\$0.00			ᡣ	
							00.06			n	'
Total Manejo CORCO											\$0.00
Recobros Almacenaje y Manejo											
Storage Fees No.6							0.00			w	•
							0.00			ሱ ‹ ሱ ‹	
							0.00			ᡣ᠊ᡐ	
TOTAL RECOBRO ALMACENAJE										Ŷ	
Handling Fees No.6							0.00 0.00 0			ዏ ዏ ዏ	
							000			፞	
TOTAL RECOBRO MANEJO										. s s	•

\$0.00 \$0.00 \$0.00 \$0.00

\$0.00 \$0.00 \$0.00 PREPA\$F49ELS_20221017_015

\$0.00 \$0.00 \$0.00

Total Recobros Almacenaje y Manejo

\$0.00

\$0.00

\$0.0000

Total Residual Número 6

Residual Número 6

\$0.00

				Fecha				Btu's		Patente		
Número de entrega	Suplidor	Número de factura	Fecha del servicio	vencimiento	Cantidad	Precio	Subtotal	recibidos	Ajuste	Municipal	Excise Tax	Cantidad final
(lead) oncide to believed												
Destriato Liviario (Dieser)												
							\$0.00			\$0.00	\$0.00	\$0.00
							\$0.00			\$0.00	\$0.00	\$0.00
Total Destilado Liviano (Diesel)	iesel)					\$0.000	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00
Inspecciones												
Total Inspecciones												\$0.00
- shoretorios												
Total Laboratorios												\$0.00
Total Central Corco												\$0.00





			INF	ORME MENSU SEPTI	INFORME MENSUAL COMPRAS COMBUSTIBLES SEPTIEMBRE 2022 Rev1	OMBUSTIBL 3v1	ES			
Descripción	Cantidad (bbl)	Precio (\$/bbl)		Subtotal	Ajuste por Btu	Patente Municipal	Excise Tax	Cargos por Transportación		Cantidad final
Residual Número 6	952,304.99	\$ 108.192	\$	103,031,547.941	\$ (1,420,570.660)	\$	1	•	S	102,034,767.30
Destilado Liviano Número 2	368,079.84	\$ 151.306	\$	55,692,609.044	ı	\$ 238,152.98	\$ 602,533.74	\$ 846,577.82	2 \$	57,379,873.58
GN Costa Sur	189,063.17	\$ 103.043	3	19,481,598.888		. 1	. 1		S	19,481,598.89
GN Ecoeléctrica	294,365.34	\$ 94.865	S	27,924,909.564		ı	ı		S	27,924,909.56
Crédito Terminal Ecoeléctrica	(2,682.59)	\$ 94.865	8	(254,483.004)	•	ı	ı		\$	(254,483.00)
GN San Juan CC	333,103.45	\$ 105.885	S	35,270,592.000		ı	ı		S	35,270,592.00
Propano	61.07	\$ 78.756	\$ 9	4,809.349	•	-		•	S	4,809.34
Inspección									\$	•
Laboratorios									\$	•
Almacenaje									\$	•
Manejo									\$	•
Recobro de Almacenaje									\$	-
Recobro de Manejo									\$	•
Demoras									S	•
Total									⊗	241,842,067.67

Preparado por:

Lorena Torres Miranda Administradora, Oficina de Combustibles

			Di	Diesel					Residual 6		
Site	Cantidad (bbls)	Sub Total Diesel	Patente Municipal Diesel	Diesel Excise Tax	Diesel Transportation Fee	Total Diesel	Cantidad (bbls)	Sub Total Residual	Ajuste por BTU	Patente Municipal Residual	Total Residual
AG	45,287.15	\$ 7,302,552.940	\$ 36,512.76	\$ 76,082.41	\$ 135,861.45	\$ 7,551,009.56	177,982.12	\$ 19,393,491.360	\$ (243,080.25)	\$ 76,601.65	\$ 19,227,012.76
S			\$,	\$	494,771.76	\$ 53,620,465.720	\$ (654,078.28)	\$ 211,865.54	\$ 53,178,252.98
SJ	82,452.94	\$ 12,214,411.554	\$ 48,857.65	\$ 138,520.95	\$ 128,756.49	\$ 12,530,546.64	115,577.10	\$ 12,367,459.363	\$ (219,396.28)	\$ 48,592.25	\$ 12,196,655.33
PS	83,208.13	\$ 12,302,363.520	\$ 49,736.12	\$ 139,789.67	\$ 131,663.40	\$ 12,623,552.71	163,974.01	\$ 17,650,131.498	\$ (304,015.85)	\$ 86,730.58	\$ 17,432,846.23
CAM	90,053.92	\$ 13,618,220.210	\$ 61,845.00 \$	\$ 151,290.59	\$ 268,790.42	\$ 14,100,146.22					
MAY	45,398.34	\$ 7,016,599.460	\$ 28,066.40	\$ 76,269.21	\$ 136,195.02	\$ 7,257,130.09					\setminus
HG	21,679.36	\$ 3,238,461.360	\$ 13,135.05	\$ 20,580.91	\$ 45,311.04	\$ 3,317,488.36					\setminus
CORCO		\$	\$	\$	\setminus	- \$	•	\$	\$	\$	
Total	368,079.84 \$	\$ 55,692,609.044 \$	\$ 238,152.980 \$	\$ 602,533.74	\$ 846,577.82	\$ 57,379,873.58	952,304.99	\$ 103,031,547.941	103,031,547.941 \$ (1,420,570.660)	\$	423,790.020 \$ 102,034,767.301
Resumen	368,079.84	\$ 55,692,609.04	\$ 238,152.98 \$	\$ 602,533.74	\$ 846,577.82	\$ 57,379,873.58	952,304.99	\$ 103,031,547.94	103,031,547.94 \$ (1,420,570.66)	\$ 423,790.02	\$ 102,034,767.30

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		Núm. 6			Diésel		
Planta	Combustibles	Planta	Diferencia	Combustibles	Planta	Diferencia	
AG	177,982.12		177,982.12	45,287.15		45,287.15	
CS	494,771.76		494,771.76	-		-	
SJ	115,577.10		115,577.10	82,452.94		82,452.94	
PS	163,974.01		163,974.01	83,208.13		83,208.13	
CAM			-	90,053.92	90,053.93	(0.01)	OK
MAY				45,398.34		45,398.34	
HG				21,679.36		21,679.36	

Total 952,304.99 368,079.84



				NE	DEME MENSI	INFORME MENSITAL COMPRAS COMBISTIBLES	OWRISTIRL	R.C.			
					SEPTI	SEPTIEMBRE 2022_Rev1	orthograms				
Descripción	Cantidad (bbl)		Precio (\$/bbl)		Subtotal	Ajuste por Btu	Patente Municipal	Excise Tax	Cargos por Transportación	Ö	Cantidad final
Residual Número 6	952,304.99	8	108.192	S	103,031,547.941	\$ (1,420,570.660)	\$ 423,790.02	1	-	↔	102,034,767.30
Destilado Liviano Número 2	368,079.84	€	151.306	€>	55,692,609.044	ı	\$ 238,152.98	\$ 602,533.74	\$ 846,577.82	€9	57,379,873.58
GN Costa Sur	189,063.17		103.043	8	19,481,598.888		1	1		S	19,481,598.89
GN Ecoeléctrica	294,365.34	8	94.865	8	27,924,909.564		ı		-	8	27,924,909.56
Crédito Terminal Ecoeléctrica	(2,682.59)	↔	94.865	8	(254,483.004)	•		ı		↔	(254,483.00)
GN San Juan CC	333,103.45	69	105.885	S	35,270,592.000		1	1	1	8	35,270,592.00
Propano	61.07	8	78.756	S	4,809.349	•	-	1	•	8	4,809.34
Inspección										89	
Laboratorios										\$	-
Almacenaje										8	Ţ
Manejo										69	
Recobro de Almacenaje	TO SECURITY AND ADDRESS OF THE PARTY OF THE									69	1
Recobro de Manejo										\$	1
Demoras										8	1
Total										69	241,842,067.67
2000						•					









Fuel Consumption Report

September-22

			(Barrels)		
Operations - Fuel	Bunker C (# 6)	Light Destillate (# 2)	Natural Gas	Propane	Tests (# 2)
San Juan Power Plant					
SJ - Steam	154,580.5800			24.7600	
SJ - Combined Cycle		53,043.5300	231,609.8276		
Palo Seco Power Plant					
PS - Steam	128,974.7400	1,273.5100		56.5500	
PS - GE Combustion Turbine		59,600.9800			6.040
PS - PW FT-8		0.0000			
Costa Sur Power Plant					
CS - Steam	305,821.4700	27.7100	189,063.1746	0.0000	
CS - Combustion Turbine		118.0000	·		
Aguirre Power Plant					
AG - Steam	195,215.7400	549.7900		5.4800	
AG - Combined Cycle		130,750.3900			
AG - GE Combustion Turbine		0,000			
Fuel Transfers BC #6 (Pto. Nuevo Docks to CSJ)	115,577.1000				
Fuel Transfers LD #2 (PUMA Energy Caribe to CSJ)	·	45,281.4100			
Fuel Transfers LD #2 (AG to AG-Combined Cycle)		132,211.2700			
Hidro-Gas Division					
Mayaguez - Station		70,603.4945			576.185
Daguao - Station		14,956.2200			
Yabucoa - Station		2,347.0200			
Vega Baja - Station		0.0000			
Jobos - Station		7,781.8300			
Culebra - Station		256.0700			
Vieques - Station		175.3800			
Cambalache Power Plant		98,213.1600			
Ecolectrica			291,682.7586		
Total	784,592.53	439,697.08	712,355.76	86.79	582.23

1,937,314.3908

septiembre 2022

GENERACIÓN Y EFICIENCIA DEL SISTEMA ELÉCTRICO

CENTRAL	UNIDAD	CAPACIDA	D	GENERA	CIÓN	REACTIVO	CON	SUMO	VALOR		REND.
		NOM.	DISP.	BRUTA	NETA		CC	омв.	CALORÍFICO	BTU10^6	TÉRMICO
				MWHR	MWHR		E	BBL			BTU/KWHR
2072	5	235	220	86,183.000	84,183.110	23,800,000					
SAN JUAN	6	235	220	84,525.000	82,465.000	25,595.000	BC	154,580.58	6,195,047	957,634	
	7	100	100	28,443.000	28,402.863	7,838.000	PR	24.76	3,855,301	95	
	8	100	100	0.000	0.000	0.000	DL	53,043.53	5,788,450	307,040	
	9	100	100	53,269.000	48,926.133	14,014.000	GN	231,609.83	5,800,000	1,343,337	
	10	100	100	0,000	0.000	0.000 Cor	nsumo auxilia	res U 10 (-344.500 M	fW)		
TOTAL		870	840	252,420.000	243,632.606	71,247.000		439,258.70		2,608,106	10,705
PALO SECO	1	82.5	85	0.000	0.000	0.000	BC	128,974.74	6,233,550	803,970	
	2	82,5	85	0.000	0.000	0.000	PR	56.55	3,855,301	218	
	3	216	216	71,649.200	65,132.411	0.000	DL	1,273.51	5,804,808	7,392	
	4	216	216	8,962.000	8,033.649	0,000 Cor	nsumo auxilia	res U 1 & 2 (-152.06	4 MW)		
TOTAL		597	602	80,611.200	73,013.996	0.000		130,304.80		811,581	11,115
COSTA SUR				0,000	0.000	0.000	n.c	205 021 17	(220 D1 E	1,904,905	
COSTA SUR	1 2			0.000	6.000	0.000	BC PR	305,821.47 0.00	6,228,815 3,855,301	1,904,905	
	3	82.5	85	0.000	0.000	0.000	DL	27.71	5,737,418	159	
	4	82.5	85	0.000	0.000	0.000	GN	189,063,17	6,300,000	1,191,098	
	5	410	410	140,250.000	129,833.000	43,730,000	O.I.	165,005.17	0,500,000	1,151,050	
	6	410	410	140,330.000	128,996.000	45,590.000					
TOTAL	v	985	990	280,580,000	258,829.000	89,320,000		494,912.35		3,096,162	11,962
						,		,			
AGUIRRE	1	450	450	0.000	0.000	0.000	BC	195,215.74	6,244,385	1,219,002	
	2	450	450	111,110.000	105,628.030	67,675.000	PR	5.48	3,855,301		
							DL	549.79	5,796,808		
TOTAL		900	900	111,110.000	105,628.030	67,675.000		195,771.01		1,219,002	11,571
VAPOR		3352	3332	724,721.200	681,103.632	228,242,000		1,260,246.86			11,361
	V-1	104,6	96	4,814.000	4,745.360		DL	130,750,39	5,796,808	757,935	
	I-1	50	50	0.000	0.000		DL	130,730.33	3,770,000	707,300	
CICLO	I-2	50	50	15,459,000	15,397.164						
COMB.	I-3	50	50	0.000	0.000						
	I-4	50	50	16,327.000	16,261.692						
	V-2	104.6	96	0,000	0.000						
	II-1	50	50	0.000	0.000						
	II-2	50	50	0.000	0.000						
	II-3	50	50	10,364.000	10,322.544						
	III-4	50	50	9,703.000	9,664.188						
TOTAL		609.2	592	56,667.000	56,390.948		DL	130,750.39		757,935	13,441

CENTRAL	UNIDAD	CAPACIDAI)	GENER	ACIÓN	REACTIVO	CONSUMO	VALOR		REND.
		NOM.	DISP.	BRUTA	NETA		COMB.	CALORÍFICO	BTU10^6	TÉRMICO
GAS		57.0		44 404 000	11 200 215	107.000	DL 70,603	.49 5,800,000	409,500	
MAYAGUEZ	1 2	55.0 55.0	55 55	11,404.000 9,557.400	11,390.315 9,545.931	107.800 734,500		.19 Pruebas	405,300	
IMPATRIOUGE .	3	55.0	55	5,250.500	5,244.199	836.200				
	4	55.0	55	12,002.200	11,987.797	854.400				
TOTAL		220,0	220	38,214.100	38,168,242	2,532,900	70,603	.49	409,500	10,729
	1-1	22.4	21	5,600.000	5,594.400	1,270.000	29,291		170,030	
	1-2	22.4	21	0.000	0.000	0.000	6	.04 Pruebas		
PALO	2-1	22.4	21 21	5,411.000	5,405.589 0.000	1,231,200 0,000				
SECO	2-2 3-1	22.4 22.4	21	0.000 0.000	0.000	0.000				
	3-2	22.4	21	0.000	0.000	0.000				
TOTAL		134.4	126	11,011.000	10,999.989	2,501.200	59,600	.98	170,030	15,457
COSTA	1-1	22.4	21	32.000	31.968	7.400	118	.00 5,737,418	677	
SUR	1-2	22.4	21	0.000	0.000	0.000				
TOTAL	· · · · · · · · · · · · · · · · · · ·	44.8	42	32.000	31.968	7.400	118	.00	677	21,178
AGUIRRE	2-1	22.4	21	0.000	0.000	0.000	0.	.00 5,796,808	0	
	2-2	22.4	21	0.000	0.000	0.000				
TOTAL		44.8	42	0.000	0.000	0.000		.00	0	0
YABUCOA	1-1	22.4	21	0.000 830.000	0.000 829.170	0.000 188.000	2,347.	.02 5,800,000	13,613	
TOTAL	1-2	22,4 44.8	21 42	830.000 830.000	829.170 829.170	188.000	2,347.	02	13,613	16,417
DAGUAO	1-1	22.4	21	3,424.000	3,420.576	689.600	14,956		86,739	10,417
2.100.10	1-2	22.4	21	2,278.000	2,275.722	532,800			,-	
TOTAL		44.8	42	5,702.000	5,696.298	1,222.400	14,956.	.22	86,739	15,227
JOBOS	1-1	22.4	21	1,486.000	1,484.514	297.600	7,781.	83 5,800,000	45135	
	1-2	22.4	21	1,404.000	1,402.596	392.000				
TOTAL		44.8	42	2,890.000	2,887.110	689.600	7,781.		45,135	15,633
VEGA	1-1	22.4	21	0,000	0.000	0.000	0.	5,800,000	0	
BAJA	1-2	22.4	21	0.000	0.000	0.000	_		_	
TOTAL		44.8	42	0.000	0,000	0.000	0.	00	0	0
TOTAL GAS		623.2	598	58,679.100	58,612.777	7,141.500	155,407.	54	725,694	11,871
HIDRO										
T. NEGRO	1	8.64	8.64	335.000	334.145	84.500				
T. NEGRO	2	1.92	1.92	0.000	0.000	0.000				
GARZAS	1	7.20	7.20	380.000	377.000	0.000				
GARZAS	2	5.04	5,04	0.000	0.000	000,0				
YAUCO	1	20.00	25.00	000.0	0.000	0.000				
YAUCO DOS BOCAS	2	8.00 18.00	9.00 15.00	907.000 3,750.000	900.738 3,744.000	680.000 0,000				
CAONILLAS	1	17.60	18.00	0.000	0.000	0.000				
CHOINEELIO	2	4.00	3,60	0.000	0.000	0.000				
RIO BLANCO		5.00	5.00	0.000	0.000	0.000				
PATILLAS		1.40	1,40	0.000	0.000	0.000				
TOTAL HIDRO		96.80	99.80	5,372.000	5,355.883	764,500				
DIESEL										
VIEQUES		7.00	7.00	91.000	91.000	0.000	175.			
CULEBRA		1.775	1.775	77.592	75.254	0.000	256.	07		
TOTAL DIESEL		8.775	8.775	168.592	166.254	0.000	431.	45 5,857,537		NR
CAMBALACHE		247.5	247.5	45,677.000	45,389.970	8,899.000	98,213.	16 5,771,627	566,850	12,488
TOTAL CICTEMA		4,937	4,878	891,284.892	847,019.464	245,047.000	1,645,049.	41		11,603
TOTAL SISTEMA		4,737	4,070	021,204.022	847,012.404	243,047.000	1,043,047.	+1		11,003
FACTOR ENERGÍA SIST.		96%			DEMANDA MÁX.	2,877		CONTRI	BUCIÓN TERMAL	2,864
FACTOR CARGA MENS.		44%			FECHA	9/14/2022			RIBUCIÓN HIDRO	13
FACTOR CARGA ANUAL		47%			HORA	9:00 PM				
Mobile Pack (PW FT-8)	MP 1	27.0	27.0	5,685.000	5,678.178		30,309.	69 5,804,808	175,942	
(x x 1-0)	MP 2	27.0	27.0	5,870.000	5,862,956		55,507.	-,004,000	,	
	MP3	27.0	27.0	5,806.000	5,799,033					
Total		81.0	81.0	17,361.000	17,340.167		30,309.	69		10,146

GENERACIÓN DEL SISTEMA ELÉCTRICO

									SEPTIEMBRE	2022
	GENERACI	ÓN BRUTA	GENERA	CIÓN NETA	COMBUSTIBL	E CONSUMIDO	RENDIMIENTO T	ÉRMICO	AUXIL	LIARES
CENTRAL	MWI 2022	HR 2021	MV 2022	NHR 2021	BAR 2022	RILES	NETO 2022	2024		CIENTO 2021
CENTRAL	2022	2021	2022	ESTE		2021	2022	2021	2022	2021
SJ	252,420.000	297,644.000	243,632.606	288,734.607	439,258.70	427,016.39	10,705	8,670	3.48	2.99
PS	80,611.200	161,073.000	73,013.996	145,905.192	130,304.80	259,928.35	11,115	11,063	9.42	9.42
cs	280,580.000	98,830.000	258,829.000	92,295.200	494,912.35	167,556.79	11,962	11,438	7.75	6.61
AG	111,110.000	290,005.000	105,628.030	270,404.584	195,771.01	487,171.08	11,571	11,268	4.93	6.76
VAPOR	724,721.200	847,552.000	681,103.632	797,339.583	1,260,246.86	1,341,672.60	11,361	10,309	6.02	5.92
cc	56,667.000	114,905.000	56,390.948	114,286.032	130,750.39	260,516.51	13,441	13,195	0.49	0.54
GAS	76,040.100	73,306.300	75,952.944	73,225.721	155,407.54	164,264.51	11,871	13,009	0.10	0.10
DIESEL	168.592	0.113	166.254	0.109	431.45	180.40	N/A	N/A	0.00	0.00
HIDRO CAMBALACHE	5,372.000 45,677.000	5,141.000 45,666.000	5,355.883 45,389.970	5,120.099 45,224.280	N/A 98,213.16	N/A 95,121.73	N/A 12,488	N/A 12,190	N/A 0.63	N/A 0.97
TOTAL AEE	908,645.892	1,086,570.413	864,359.631	1,035,195.824	1,645,049.41	1,861,755.75	11,603	10,905	4.87	4.73
ECOELÉCTRICA	-	1,000,070.410	213,413.433	315,537.390	N/A	N/A	N/A	N/A		4.70
AES	_	_	168,946.484	284,602.260	N/A	N/A	N/A	N/A	_	_
RENOVABLE	-	-	19,858.553	31,485.672	N/A	N/A	N/A	N/A	-	-
SISTEMA TOTAL	908,645.892	1,086,570.413	1,266,578.101	1,666,821.146	1,645,049.41	1,861,755.75	N/A	N/A	N/A	N/A
SJ	1,968,140.000	2,020,084.000	1,902,703.520	AÑO NA 1,967,081.489	3,276,007.93	2,878,788.05	10,250	8,554	3.32	2.62
PS	1,494,118.200	961,160.000	1,365,535.571	868,150.892	2,387,200.20	1,537,501.46	10,230	11,011	8.61	9.68
cs	2,686,880,000	2,608,170.000	2,488,122.800	2,445,092.200	4,657,914.14	4,420,525.15	11,745	11,391	7.40	6.25
AG	1,755,015.000	2,118,445.000	1,644,621.041	1,970,998.239	2,966,526.10	3,554,721.81	11,280	11,296	6.29	6.96
VAPOR	7,904,153.200	7,707,859.000	7,400,982.932	7,251,322.820	13,287,648.37	12,391,536.47	11,104	10,550	6.37	5.92
СС	474,566.000	615,286.000	472,333.342	611,408.460	1,115,027.61	1,509,307.86	13,637	14,293	0.47	0.63
GAS	261,714.300	297,069.600	261,415.788	296,743.592	544,628.96	665,225.21	12,082	13,002	0.10	0.10
DIESEL	254.401	8.174	251.619	7.779	611.82	389.67	N/A	N/A	1.09	0.00
HIDRO	25,417.500	27,441.000	25,149.616	27,302.148	N/A	N/A	N/A	N/A	N/A	N/A
CAMBALACHE	152,930.000	201,474.000	151,222.485	198,685.220	333,880.99	439,479.70	12,769	12,814	1.12	1.38
TOTAL AEE	8,819,035.401	8,849,137.774	8,311,355.782	8,385,470.019	15,281,797.75	15,005,938.91	11,310	10,965	5.76	5.24
ECOELÉCTRICA	-	-	2,490,388.999	2,622,365.396	N/A	N/A	N/A	N/A	-	-
AES RENOVABLE	-	-	2,151,684.619 338,644.490	2,485,233.482 359,395.049	N/A N/A	N/A N/A	N/A N/A	N/A N/A	-	-
SISTEMA TOTAL	8,819,035.401	8,849,137.774	13,292,073.890	13,852,463.945	15,281,797.75	15,005,938.91	N/A	N/A	N/A	N/A
				AÑO FISCAL A						
SJ	841,035.000	937,000.000	815,129.106	908,735.957	1,423,353.25	1,353,422.78	10,343	8,756	3.08	3.02
PS	491,430.200	480,446.000	446,620.936	435,154.728	789,740.99	775,991.74	11,010	11,076	9.12	9.43
CS	982,620.000	935,280.000	908,782.000	881,351.700	1,710,112.54	1,568,134.53	11,775	11,213	7.51	5.77
AG VAPOR	490,610.000 2,805,695.200	606,475.000 2,959,201.000	465,440.190 2,635,972.232	564,570.240 2,789,812.625	842,069.91 4,765,276.69	1,018,993.46 4,716,542.51	11,311 11,121	11,274 10,404	5.13 6.05	6.91 5.72
CC	211,400.000	214,340.000	210,314.516	213,301.566	455,477.68	508,915.14	12,552	13,811	0.51	0.48
GAS	137,622.500	162,238.900	137,464.838	162,059.878	282,072.03	358,332.39	11,907	12,824	0.10	0.10
DIESEL	198.592	0.113	196.224	0.109	495.37	261.26	N/A	N/A	1.19	0.00
HIDRO	10,155.000	12,168.500	10,107.247	12,104.471	N/A	N/A	N/A	N/A	N/A	N/A
CAMBALACHE	83,295.000	113,266.000	82,442.010	112,059.710	180,729.36	239,887.20	12,636	12,411	1.02	1.07
TOTAL AEE	3,248,366.292	3,461,214.513	3,076,497.067	3,289,338.359	5,684,051.13	5,823,938.50	11,295	10,814	5.29	4.97
ECOELÉCTRICA	-	-	829,407.338	919,837.794	N/A	N/A	N/A	N/A	-	-
AES	-	-	572,757.137	803,627.770	N/A	N/A	N/A	N/A	-	-
RENOVABLE SISTEMA TOTAL	3,248,366.292	3,461,214.513	98,505.133 4,577,166.675	120,709.332 5,133,513.255	N/A 5,684,051.13	N/A 5,823,938.50	N/A N/A	N/A N/A	- N/A	N/A
GIOTEINA TOTAL	0,210,0001202	0,101,2111010			NDO EL MES ACTUAL	0,020,000100	1071	1477	14/7 (
SJ	2,843,281.000	2,769,435.000	2,748,787.985	2,687,490.781	4,652,509.53	3,993,507.78	10,057	8,710	3.32	2.96
PS	1,977,864.200	1,125,229.000	1,804,852.463	1,014,107.795	3,166,138.51	1,807,997.00	10,940	11,091	8.75	9.88
cs	3,257,870.000	3,179,570.000	3,022,112.800	2,980,748.200	5,616,940.55	5,417,710.45	11,672	11,452	7.24	6.25
AG	2,694,595.000	3,062,685.000	2,516,625.946	2,846,457.941	4,558,554.20	5,139,995.82	11,320	11,328	6.60	7.06
VAPOR	10,773,610.200	10,136,919.000	10,092,379.194	9,528,804.717	17,994,142.78	16,359,211.05	11,013	10,603	6.32	6.00
CC	651,846.000	846,243.000	648,831.684	840,788.694	1,555,632.81 783,237.29	2,083,685.95 875,290.82	13,850	14,325	0.46	0.64
GAS	369,030.600	391,064.910	368,613.553	390,636.440	•		12,322	12,995	0.10	0.10
DIESEL HIDRO	254.401 37,601.000	8.174 41,597.000	251.619 37,279.284	7.779 41,296.583	611.82 N/A	389.67 N/A	N/A N/A	N/A N/A	1.09 N/A	4.84 N/A
CAMBALACHE	235,010.000	241,957.000	232,263.715	238,458.760	515,019.52	527,622.02	12,821	12,809	1.17	1.45
TOTAL AEE	12,067,352.201	11,657,789.084	11,379,619.049	11,039,992.973	20,848,644.22	19,846,199.51	11,255	11,021	5.70	5.30
ECOELÉCTRICA		-	3,241,389.881	3,527,381.437	N/A	N/A	N/A	N/A	-	-
AES	-	-	2,928,429.476	3,387,996.385	N/A	N/A	N/A	N/A	-	-
RENOVABLE	-		431,499.638	445,172.223	N/A	N/A	N/A	N/A	-	-
SISTEMA TOTAL	12,067,352.201	11,657,789.084	17,980,938.043	18,400,543.018	20,848,644.22	19,846,199.51	N/A	N/A	N/A	N/A

Directorado de Generación Aportación de Generación Energía Renovable (*MWs*) *Año Fiscal 2022-23*

Compañía	Fuente	jul.22	ag.	sept.	oct.	nov.	dic.	en.23	feb.	mzo.	abr.	mayo	jun.	Acumulado
PATTERN		19,393.347	13,676.357	4,840.105	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	37,909,80
PUNTA LIMA WF LLC	EÓLICA	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
SUBTOTAL		19,393.347	13,676.357	4,840.105	0.000	0.000	0.000	0.000	0.000	0.000	0,000	0.000	0.000	37,909,809
AES ILUMINA		3,139,004	3,196.993	2,242.122	0.000	0.000	0.000	0.000	0.000	0.000	0,000	0.000	0.000	8,578.11
WINDMAR		305.907	269.319	222,541	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	797,76
SAN FERMÍN SOLAR FARM		1,039.385	1,474.122	797.113	0.000	0.000	0.000	0.000	0.000	0.000	0,000	0.000	0.000	3,310.620
HORIZON ENERGY	SOLAR	1,849.970	1,997.029	1,226.140	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5,073.139
ORIANA ENERGY	FOTOVOLTAICA	7,575.388	7,675.047	5,666.023	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	20,916.458
COTO LAUREL SOLAR FARM		1,572.518	1,583.098 102888	02888	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	3,155.616
FANROCHE HUMACAO SOLAR FARM		5,547.758	5,954.477	3,955.055	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	15,457.290
SUBTOTAL		21,029.930	22,150.085	14,108.994	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0,000	0.000	57,289.00
FAJARDO LANDFILL GAS	ANDET	257.470	439.675	270,904	0,000	0.000	0.000	0,000	0.000	0,000	0.000	0.000	0,000	968.049
TOA BAJA LANDFILL GAS	GAS	590.913	1,108.803	535.662	0.000	0.000	0.000	0.000	0,000	0.000	0.000	0.000	0.000	2,235,37
SUBTOTAL	4. 14	848.383	1,548.478	806.566	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	3,203.427
TOTAL		41,271.660	37,374.920 19,755.665	19,755.665	0.000	0.000	0,000	0.000	0.000	0.000	0.000	0.000	0.000	98,402,24