

P3A: Legacy Generation Assets Operation and Management RFP

Legal Follow-up Questions for NFE/ Genera PR Proposal: O&M Mark-up

1. **[Preamble]** You requested the KYC, balance sheet and other financial information for the Owner entity, currently PREPA Genco, LLC. We note that the entity has not yet been created and PREB is currently reviewing the reorganization documents. We will provide more information as we receive it.

a. **Genera PR Response:** Noted. Thank you.

2. **[Def. Change in Regulatory Law]** You have included the entry of any Consent Decree as a Change in Regulatory Law. Please confirm whether you intend for this to relate to any amendment to the existing Consent Decree, including the outcome of the current negotiations in progress.

a. **Genera PR Response:** [REDACTED]

3. **[Sec. 2.2(d)(i)]** You have included as a condition precedent to effectiveness that Genera PR shall have received certain agreed fundamental permits and Governmental Approvals – which permits do you expect to require to have received in order to execute the Agreement?

a. **Genera PR Response:** [REDACTED]

4. **[Sec. 4.3, Fn. 46]** In your footnote to Section 4.3, you noted that Genera PR requires certain conditions to the Service Commencement Date be conditions to effectiveness, such as approval of the Procurement Manual (with the additional conflict of interests provisions you discuss in your summary), and that they have been accordingly relocated. While you revised the requirement to prepare the Procurement Manual to within 90 days of the new Execution Date, not Effective Date, you did not add approval of the Procurement Manual to the new list of conditions to effectiveness. Please confirm your intent.

a. **Genera PR Response:** [REDACTED]

5. **[Sec. 5.2(a)]** You proposed that language be removed that pertains to Administrator approval of costs to administer and perform Owner’s rights under a Facility Contract when those costs exceed [\$1,000,000], and instead that the issue be covered by the Procurement Manual. Please elaborate on your thoughts for how to address this in the Procurement Manual.

a. **Genera PR Response:** Our goal is to make sure decisions can be made timely to increase overall efficiency (reduce costs, increase reliability etc.). [REDACTED]

[REDACTED]

6. **[Sec. 14.6(b)]** In the event that there is an early termination of the Agreement, you have included that Operator must complete any Demobilization Services, and Owner must pay any amounts required for such Demobilization Services. To what extent do you intend to complete the Demobilization Services if there is an early termination, and will you do so because it would be logistically difficult to hand-off such services or for another purpose?

a. **Genera PR Response:** [REDACTED]

[REDACTED]

7. **[Sec. 17.3(b)]** You have included in the Demobilization Service Fee any costs for early termination of any Subcontracts or severance costs associated with the discontinuation of any Person’s employment. We would assume that these costs would only be applicable in the instance where there is an early termination of the Agreement. Is this what you intended to cover?

a. **Genera PR Response:** [REDACTED]

[REDACTED]