

Gwyn Willoughby

From: Don Mosier
Sent: Thursday, February 1, 2018 10:04 AM
To: Tony Campbell; Mike McNalley; David Smart; David Crews
Subject: SKRECC filing comments

I've read through most of the filing focusing on the commercial terms. The agreements executed are typical of the type and kind expected when dealing with sophisticated counterparties like MS.

Energy contract:

- Deal signed 12/19/2017, had 45 days to file with PSC
- 58 MWs 7x24 commences June 1, 2019 through May 31, 2039 (20 years)
- Fixed, LD, physical at EKPC zone, day ahead schedule
- Contract specifies EKPC as agent, MS as scheduling agent, SKRECC becomes PJM member
- Has both **change in laws and Enviro majeure clauses**
- SKRECC signed ISDA and EEI master purchase agreements
- Asks for expedited PSC approval by May 31
- **No exit provision other than a non-appealable decision by PSC**

Capacity contract:

- 68 MWs which included 18% ?? reserves
- Fixed until 21/22 then becomes higher of fixed or floating price in auction
- Enviro majeure clause, NRG FERC/PJM settlement majeure clause

[REDACTED]

Don Mosier
EVP & COO

