

Appendix G - Credit Requirements

The Respondent must be able to satisfy JEA's credit standards to ensure the Respondent has adequate financial capability. JEA requires qualified Respondents to possess either an investment grade long term, senior unsecured debt rating (S&P / Fitch BBB- or above; Moody's Baa3 or above) or sufficient equity security to cover their anticipated delivery obligations under any agreement, as defined below, entered into as a result of this Solicitation process. If the Respondent is unable to satisfy the foregoing credit standards, they may designate a credit support provider/guarantor. If the credit support provider/guarantor is satisfactory to JEA, the Respondent will be deemed to have satisfied JEA's credit standards. The quality of credit of the proposed credit support provider/guarantor will be evaluated under the same standards as that of the Respondent.

Execution of an agreement under this Solicitation is conditional upon full satisfaction of any JEA credit support requirements. JEA reserves the right to require additional credit standards and to review and evaluate the quality of credit of each Respondent and credit support provider/guarantor in addition to adjusting, as necessary, in the application of the foregoing standards.

This document contains a brief overview of credit requirements of the Respondent for a selected Response of the Solicitation. The purpose of this document is to assure (1) that a counterparty's credit quality, when considered in the context of a Respondent's Response, complies with JEA expectations and requirements, and (2) that any requirement for credit support associated with the Response is considered by the Respondent in preparation and submission of a Response.

Information requests associated with these requirements are included within Appendix F- Respondents Questionnaire of this Solicitation.

Credit Quality and Forms of Credit Support

The Seller shall provide JEA with commercially reasonable security instruments such as cash, cash escrow security, parent guarantee, or letter of credit from a credible financial institution to support credit assurance requirements.

JEA will perform a credit analysis to determine whether the issuing entities are creditworthy to support the Seller's credit assurance obligations. The creditworthiness of the entity providing the applicable instrument will be based on the reasonable judgment of JEA, provided that any entity with a short-term or long-term investment grade credit rating by S&P, Fitch, or Moody's shall be deemed to have acceptable financial creditworthiness.

Credit Support Requirements

Negotiating Period

For any Respondent with whom negotiations begin, an irrevocable letter of credit or bank guarantee in favor of JEA, issued by a reputable financial institution or commercial bank satisfactory to JEA, in the amount of \$200,000 (Bid Security). This Bid Security must remain in full force and effect for the lesser of: A) a period lasting 90 days from the start of negotiations, or B) until a governing agreement is executed. The Bid Security can be called upon by JEA up to the full amount if negotiations are not completed within 90 days and if, in JEA's sole judgment, the Respondent has not negotiated in good faith or in accordance with the pricing parameters and risk sharing conceptual framework set forth in its Response. The 90-day negotiating period may be extended by JEA at its discretion and upon consent of the Respondent; if the negotiating period is so extended, the Bid Security must be likewise extended.

Post-Contract Execution

Seller will be required to provide credit support within five (5) business days after the execution of an applicable agreement. The amount of credit support that Seller must provide will be adjusted at various milestone dates during the term of the agreement. The tables below show key milestones and the corresponding amount of the credit support required to be in effect.

Table 1: PPA Letter of Credit Requirements

Project Milestone	Credit Assurance Amount
Execution of PPA	\$1,500,000 plus \$15,000/MW
Issuance of Full Notice to Proceed	\$75,000/MW
One-year Anniversary of Full Notice to Proceed	\$100,000/MW
Two-year Anniversary of Full Notice to Proceed	\$125,000/MW
Commencement of the PPA delivery term	\$150,000/MW
PPA Expiration	Letter of credit will return to Seller unless there are pending claims of Buyer, which then the letter of credit will remain outstanding and in effect until the final resolution of such claims.

Table 2: Build-Transfer Agreement (BTA) Letter of Credit Requirements

Project Milestone	Credit Assurance Amount
Execution of BTA	\$1,500,000 plus \$15,000/MW
Issuance of Full Notice to Proceed (FNTTP)	\$75,000/MW
One-year Anniversary of FNTTP	\$100,000/MW
Two-year Anniversary of FNTTP	\$125,000/MW

Additional credit requirements may be required and negotiated through the BTA for the period after closing and/or substantial completion of the facility to address outstanding obligations of the Seller and potential indemnity claims.

Table 3: Acquisition Agreement (Existing Resource)

Project Milestone	Credit Assurance Amount
Execution of Acquisition Agreement	\$1,500,000 plus \$15,000/MW

Additional credit requirements may be required and negotiated through the Acquisition Agreement for the period after closing to address outstanding obligations of the Seller and potential indemnity claims.