

4. After evidentiary hearings, the Commission approved the Amended Settlement Agreement and the Merger.¹

5. Paragraph 84 of the Amended Settlement Agreement contains a commitment for Delmarva Power to issue competitive requests for proposals (“RFPs”) to purchase wind Renewable Energy Credits (“RECs”) on commercially reasonable terms in *three tranches* (the “Wind RFP Commitment”).

6. There are two components of the process of complying with the Wind RFP Commitment set forth in paragraph 84 of the Amended Settlement Agreement which require Commission approval:

- a. Initial approval of the RFP for each Tranche;² and
- b. Commission review and potential approval of any proposed contracts resulting from the RFPs.³

7. On December 1, 2016, the Commission approved the RFP for Tranche 1 of the Wind RFP Commitment.⁴

8. The Tranche 1 RFP was issued on February 17, 2017. An experienced wind farm developer/operator was the lowest bidder in the Tranche 1 RFP. Negotiations on necessary modifications to the RFP model contract began and were proceeding on schedule. As Delmarva has previously informed Commission Staff, the Public Advocate and the Mid Atlantic Renewable Energy Coalition (“MAREC”), near the conclusion of negotiations on a final contract, the bidder informed

¹ See, Order No. 8746, June 2, 2015.

² Paragraph 84 of the Merger Settlement Agreement provides: “Delmarva Power . . . shall file any such RFP pursuant to this paragraph with the Commission for its review and required approval prior to issuance.” See footnote 1.

³ Paragraph 84 of the Merger Settlement Agreement provides: “[a]ny proposed contract(s) resulting from the RFP shall also be submitted to the Commission for final review and approval before execution.” See footnote 1.

⁴ Order No. 8990, PSC Docket No. 16-1031 (December 1, 2016).

Delmarva that it could not obtain authority from its parent for the necessary contract security. As a result, a contract was never executed by the winning bidder.

9. To address the fact that the Tranche 1 RFP did not result in a 40 mW REC contract, Delmarva has made two changes to the Tranche 2 RFP:

- a. The Tranche 2 RFP includes an option for bidders to propose an additional 40 mW (*i.e.*, up to 80 mW) in their bids; and
- b. The contract security provisions have been modified to provide more options for providing the required contract security.

10. The Tranche 2 RFP was issued by Delmarva Power on April 30, 2018. At the time the Tranche 2 RFP was issued, Delmarva Power mistakenly believed that the Commission's December 1, 2016 approval of the Tranche 1 RFP covered all three RFP Tranches. After the Tranche 2 RFP was issued, Pamela Knotts of Commission Staff contacted Delmarva Power and shared her concern that the Commission's December 1, 2016 approval covered only the Tranche 1 RFP. Upon review of Order No. 8990 approving the Tranche 1 RFP, Delmarva Power agrees with Ms. Knotts. Delmarva Power should have obtained the Commission's approval prior to issuing the Tranche 2 RFP. Delmarva Power apologizes to the Commission for its oversight and thanks Ms. Knotts for the professional manner in which she notified Delmarva Power of the error.

11. Delmarva Power hereby asks the Commission to approve the Tranche 2 RFP issued on April 30, 2018. Delmarva expects to begin analyzing bids from prospective bidders in June 2018.

12. Pursuant to paragraph 84 of the Amended Settlement Agreement, Delmarva Power obtained the concurrence of the Renewable Energy Task Force with respect to the Tranche 2 RFP. A copy of correspondence from DNREC,⁵ which confirms the concurrence of the Renewable Energy Task Force, is attached as "Attachment A."

⁵ DNREC is short for the State Department of Natural Resources and Environmental Control, a party to the merger proceeding and the Chair of the Renewable Energy Task Force.

13. Delmarva has attached a copy of the full proposed Tranche 2 RFP as “Attachment B.” That copy shows, in Redline format, the few substantive changes between the Tranche 1 RFP previously approved by the Commission and the Tranche 2 RFP for which Delmarva Power is now seeking Commission approval.


14. A proposed form of order approving the Tranche 2 RFP is attached hereto as “Attachment C.”

15. Consistent with the provisions of Paragraph 84 of the Amended Merger Agreement, Delmarva Power will seek approval of any proposed REC purchase contract(s) resulting from the Tranche 2 RFP through a subsequent filing in this docket. Such a filing will include, among other things:

- a. an application and prefiled testimony supporting the requested approval of any proposed REC purchase contract(s); and
- b. evidentiary hearings after public notice.⁶

WHEREFORE, Delmarva Power respectfully requests that the Commission issue an order approving the Tranche 2 RFP,

Respectfully Submitted,
Delmarva Power & Light Company



Todd L. Goodman (DE Bar No. 3096)
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Newark, Delaware 19714-6066
(302) 429-3786

todd.goodman@pepcoholdings.com

Dated: June 14, 2016

⁶ 26 Del.C. § 1007 (b) and 29 Del. C. § 10124.

ATTACHMENT A

Goodman, Todd:(PHI)

Subject: FW: Confirmaton of Approval of RFP by Task Force

From: Noyes, Thomas G. (DNREC) [<mailto:Thomas.Noyes@state.de.us>]

Sent: Tuesday, June 12, 2018 3:53 PM

To: Goodman, Todd:(PHI)

Cc: Underwood, Robert (DNREC); Moore, Glenn A:(DPL)

Subject: [EXTERNAL] RE: Confirmaton of Approval of RFP by Task Force

Todd:

At the Renewable Energy Taskforce meeting of June 12, 2018, Glenn Moore moved that the Taskforce approve the Delmarva Power RFP for the second tranche of DPL's wind power REC obligation under the Exelon merger settlement. Dale Davis seconded the motion. The Taskforce voted to adopt the motion unanimously.

This motion will be reflected in the Taskforce minutes.

Please let me know if you have any question on this matter.

Tom

ATTACHMENT B

REQUEST FOR PROPOSALS

FOR

WIND RENEWABLE ENERGY CREDITS

DELMARVA POWER & LIGHT COMPANY

**ISSUE DATE: ~~February 17, 2017~~ April 30,
2018**

**DELMARVA POWER & LIGHT COMPANY
REQUEST FOR PROPOSALS
FOR
WIND RENEWABLE ENERGY CREDITS
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DELMARVA POWER & LIGHT COMPANY

REQUEST FOR PROPOSALS FOR WIND RENEWABLE ENERGY CREDITS

1. INTRODUCTION

Through the issuance of this Request for Proposals (“**RFP**”), Delmarva Power & Light Company (“**Delmarva Power**”)¹ is soliciting proposals (each, a “**Proposal**”) for Wind Renewable Energy Credits (“**RECs**”) and any other Environmental Attributes (“**EAs**”) to serve its customers in the State of Delaware. Delmarva Power intends to establish a portfolio of RECs in accordance with the Delaware Electric Utility Retail Customer Supply Act of 2006, 26 Del. C. § 1007, the Delaware Renewable Energy Portfolio Standards Act of 2005, 26 Del. C. 352 (“**RPS**”) and the Delaware Public Service Commission (“**Commission**”) Rules and Procedures to Implement the Renewable Energy Portfolio Standard (“**RPS Rules**”) at the lowest cost available and under a fixed price payment structure to maximize price stability for its customers. Through this Request For Proposal (“**RFP**”), Delmarva Power is seeking RECs on commercially reasonable terms from one or more renewable wind generating facilities (each, a “**Facility**”) with an aggregate capacity of up to 80 MW, with each bid limited to 40 MW (nameplate) beginning in the compliance year 2019-2020 for a term of 10 to 15 years.

Delmarva Power will evaluate Proposals from bidders (each, a “**Bidder**”) based on the factors outlined in this RFP. Delmarva Power’s acceptance of any Proposal submitted hereunder will be subject to agreement on the terms of a definitive Environmental Attribute Purchase Agreement (“**EAPA**”) and approval of such EAPA by the Commission. The draft form of EAPA for this RFP is included as Attachment C.

¹ Delmarva Power, a subsidiary of Exelon Corporation., is a regulated electric distribution utility company operating in Delaware and Maryland. Delmarva Power provides transmission and distribution service to approximately 300,000 customers within the State of Delaware.

2. SCHEDULE

The overall schedule for this RFP is set forth below. All dates subsequent to the proposal due date are estimated.

EVENT	DATE/DEADLINE
Issuance of RFP by Delmarva Power for 40 80 MW facility for 2018-2019	April 30, 2018
Pre-Proposal Meeting	May 7, 2018
Notice of Intent to Bid Due	May 14, 2018
Complete Proposals Due	May 31, 2018
Bidder Short-List Released	July 13, 2018
EAPA(s) Executed	August 31, 2018
EAPA(s) Sent to PSC for Approval	September 14, 2018
First Delivery Date	August 7, 2019

3. SCHEDULE OVERVIEW

3.1 Pre-Proposal Meeting

Delmarva Power will hold a meeting via conference call for all interested Bidders (the “*Pre-Proposal Meeting*”) on May 7, 2018. The purpose of the Pre-Proposal Meeting will be to provide Bidders and their representatives the opportunity to discuss the RFP (including the draft form EAPA and information requirements for the RFP) with Delmarva Power and its evaluation team and to gain additional information from Delmarva Power regarding the RFP. The RFP, the EAPA, and other related documents, are available upon request. Interested parties must submit their request by email to the RFP Coordinator at: DERecrfpcoordinator@delmarva.com. Specific details of the Pre-Proposal Meeting, including time, and dial-in information will be provided by the RFP Coordinator.

3.2 Notice of Intent to Bid

On or before May 14, 2018, each Bidder intending to submit a Proposal is required to deliver to Delmarva Power a Notice of Intent to Bid for each such Proposal in the form of Attachment A (a “*Notice of Intent to Bid*”). All Notices of Intent to Bid must be received by Delmarva Power on or before 5:00 PM (Eastern) on May 14, 2018. Submission of a Notice of Intent to Bid does not obligate a Bidder to make a Proposal.

3.3 Proposals

On or before 5:00 PM (Eastern) May 31, 2018, each Bidder intending to participate in the RFP is required to deliver its Proposal(s) to Delmarva Power in the form of Attachment B (a “*Proposal*”), along with any proposed changes to the

form EAPA. As provided in Section 7.1, the extent of a Proposal's conformance to the form EAPA will be considered in Delmarva Power's evaluation of Proposals. Proposals which are incomplete or otherwise do not satisfy all requirements of this RFP shall not be considered. Submission of a Proposal constitutes a Bidder's agreement to and acceptance of all terms and conditions of this RFP.

3.4 Bid Clarifications

During the Proposal evaluation process, Delmarva Power may contact Bidders to request additional information or clarifications of their Proposals. Failure to respond promptly to Delmarva Power's inquiries may result in disqualification of the Bidder or rejection of a Proposal. Delmarva Power shall have no duty to inform any Bidder of any deficiency in its Proposal.

3.5 Bidder Short-List and Final Selection

It is anticipated that a list of Bidders selected for final negotiations will be released on July 13, 2018. Delmarva Power reserves the right to end negotiations with any Bidder at any time after selection without executing an EAPA. Delmarva Power anticipates submitting applications with the Commission seeking approval of executed EAPAs on or before September 14, 2018.

4. ELIGIBILITY REQUIREMENTS

To be eligible for participation in this RFP, Proposals must meet the following criteria.

4.1 Generation Technology

Proposals are limited to existing or planned renewable wind energy facilities. This RFP is limited to wind "eligible energy resources" as defined by the Delaware RPS at 26 Del.C § 352 (6) b. Eligible energy resources must be tracked through the PJM² Market Settlement System and the PJM Generation Attributes Tracking System ("*GATS*").

4.2 Geographic Location of Facilities

Bidders must propose to provide RECs from a new or existing Facility that is either physically located in the PJM region or will deliver energy to the PJM region. Bidder shall specify the PJM delivery point in their proposal.

² "PJM" refers to PJM Interconnection, LLC, the regional transmission organization that coordinates the movement of wholesale electricity in all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia, or the region covered by PJM as the context requires.

4.3 Commencement of Service and Commercial Operation

Service under an EAPA executed pursuant to this RFP will commence on June 1, 2019 (the “Commercial Operation Date”) and will continue for the contract term. Proposals may be for new or existing Facilities. To be eligible for this RFP, existing Facilities must have first gone into commercial operation after December 31, 1997. New Facilities must commence commercial operation no later than June 1, 2022, pursuant to the requirements outlined in Section 4.4 below.

4.4 Delivered RECs

Delmarva Power is seeking to purchase RECs attributable to the output of one or more identified facilities (the “Facility” or “Facilities”). As long as successful Bidders who execute an EAPA approved by the Commission continue to demonstrate adequate progress towards completion and commercial operation of the Facility in accordance with the EAPA, Bidders will be able to purchase RECs from wind eligible energy resources to provide to Delmarva Power to satisfy its EAPA obligations for a period of up to 3 years should the Facility not be ready by the COD Deadline. All such RECs provided prior to commercial operation must: (i) be administered and delivered to Delmarva Power through the PJM GATS and the PJM settlement system; (ii) comply with the RPS Rules; (iii) be generated in the same year as delivery to Delmarva Power; and (iv) count towards Delmarva Power’s compliance with its obligations under the RPS.

4.5 Energy and Capacity

Delmarva Power is not seeking energy and capacity through this RFP. Under the EAPA, successful Bidders will maintain all rights to energy and capacity from a Facility.

5. PROPOSAL REQUIREMENTS

5.1 General

Bidders may submit ~~only more than~~ one Proposal for a designated Facility, provided that each Proposal pertains to a different portion of that Facility. Bidders may also submit separate Proposals for different Facilities. A Bidder that submits multiple Proposals must clearly indicate whether Delmarva Power can select more than one Proposal, or whether such Proposals are mutually exclusive.

5.2 Quantity

A Proposal may pertain to the entire nameplate capacity of a single Facility or a portion of a single Facility; provided, however, that in no case may a Proposal pertain to a total greater than 40 MW of nameplate capacity.

5.3 REC Pricing

Bidders are required to propose prices for RECs that are fixed for the term of the EAPA.

5.4 Term

Proposals shall be for EAPA terms ranging from a minimum of ten (10) years to a maximum of fifteen (15) years.

5.5 Effectiveness of Proposals

Each Proposal must remain open for acceptance by Delmarva Power from the date of submittal through August 31, 2018.

6. SUBMISSION OF PROPOSALS

6.1 Submission Requirements

A Bidder's Proposal, in PDF format, must be e-mailed to the RFP coordinator (DErecrfpcoordinator@delmarva.com) on or before 5:00 PM (Eastern) on May 31, 2018.

6.2 Proposal Fee

Each Bidder shall submit a non-refundable \$1,000 fee ("**Proposal Fee**") for each Proposal submitted under this RFP. Payment of the Proposal Fee is due upon submission of the Proposal. Payment information, including wiring instructions, will be provided through the RFP coordinator to all Bidders who have provided a Notice of Intent to Bid.

6.3 Ownership of Material

All documents submitted to Delmarva Power in connection with this RFP shall, upon submission thereof, become the property of Delmarva Power. Delmarva Power is under no obligation to return such materials to the Bidder.

6.4 Completion and Accuracy of Proposal

A Bidder's Proposal must be complete in all respects upon submission to Delmarva Power. The Bidder is responsible for the accuracy of all information delivered to Delmarva Power in its Proposal and related materials. If any information in a Proposal is no longer true, Bidder shall immediately notify Delmarva Power of the changed information. The Bidder risks disqualification from the RFP at any time if delivered information is incorrect or incomplete.

7. PROPOSAL EVALUATION PROCESS

Delmarva Power will evaluate each Proposal based on the criteria outlined in this RFP and the selection of any Proposals will be within the exclusive discretion of Delmarva Power. The RFP evaluation criteria and evaluation process are designed to result in a fair, unbiased review of all Proposals. Delmarva Power may, in its sole discretion, reject any Proposal that does not comport with the requirements set forth in this RFP.

7.1 Evaluation

Delmarva Power's evaluation of Proposals in this evaluation will consist of both a price factor evaluation ("*Price Factor Evaluation*") and a non-price factor evaluation ("*Non-Price Factor Evaluation*"). Although the primary factor under the RFP will be price, Delmarva Power will also evaluate non-price factors associated with each Proposal to assess the benefits and risks of each Proposal. The most significant non-price factors will be:

- (i) Extent of conformance to the form EAPA;
- (ii) Interconnection, siting and permitting requirements and issues;
- (iii) Bidder experience;
- (iv) Operation date and development/operations plan, including equipment contracts; and
- (v) Bidder financial qualifications, requirements and credit support.

7.2 Non-Interference By Bidders

Neither Bidders nor anyone acting on a Bidder's behalf may seek to influence Delmarva Power's evaluation of Proposals in any way. Attempts to do so will be grounds for disqualification from eligibility.

8. CREDIT SUPPORT; SECURITY FOR PERFORMANCE

~~During the term of the EAPA, each Bidder executing an EAPA with Delmarva Power will be required to provide credit support in favor of Delmarva Power to secure their obligations under the EAPA, including the obligation to meet the Delivery Date for the Facility specified in the RPA. If Bidder (or Bidder's Guarantor, if any) is rated at or above Investment Grade and provides a Guaranty, Bidder shall have no requirement to provide Performance Assurance. If during the Term, Bidder (or Bidder's Guarantor, if any) is no longer rated at or above Investment Grade, Bidder must post Performance Assurance equal to the Performance Assurance Amounts described below.~~

Upon execution of an EAPA, Bidders will be required to post credit support in the amount of \$5.00/kW of the Dedicated Portion of the nameplate capacity of the Facility. Upon approval of the EAPA by the Commission and, if applicable, expiration of the time period to terminate the EAPA based on any required Commission modifications, Bidders will be required to post credit support in the

amount of \$15.00/kW of the Dedicated Portion of the nameplate capacity of the Facility. As a condition to the Facility commencing sales of RECs to Delmarva Power, Bidders will be required to post the applicable amount of credit support ~~in the amount of \$30.00/kW or for~~ the Dedicated Portion of the nameplate capacity of the Facility as set forth in Exhibit 7 of the EAPA.

Credit support will be in the form of a letter of credit or cash. The letter of credit must be issued by a U.S. commercial bank or a foreign bank with a U.S. branch, with such bank having a credit rating of at least A- from S&P or A3 from Moody's and a minimum of \$10 billion in assets, in a form acceptable to Delmarva Power in whose favor the letter of credit is issued. ~~After the Delivery Date, the required credit support may be deemed to be satisfied in part if the Bidder or its guarantor meets certain credit requirements to be set forth in the EAPA.~~

9. ROLE OF INDEPENDENT EVALUATOR

Delmarva Power will engage an Independent Evaluator (“*IE*”) to monitor and evaluate the RFP process. The IE will be required to report whether the solicitation process was fair to all qualified bidders and provide its report to the Commission with any executed EAPA submitted to the Commission by Delmarva Power for review and approval. As part of its evaluation, the IE shall perform a REC market benchmarking analysis which shall be included in the post-solicitation report. The IE's evaluation will take into consideration Delmarva Power's current RPS portfolio for RECs and replacement RECs. The IE will monitor, evaluate and report on the RFP process whether or not an affiliate of Delmarva Power submits a bid in response to the RFP.

10. COMMISSION APPROVAL

Executed EAPAs must be submitted by Delmarva Power to the Commission for review and approval. Delmarva Power anticipates submitting executed EAPAs for Commission approval by September 14, 2018. Bidders of executed EAPAs must cooperate with Delmarva Power in the Commission submission and approval process, which is likely to involve, among other things, providing both prefiled and live witness testimony from the Bidders. Any and all costs incurred by Bidders in the Commission approval process will be the sole responsibility of the Bidder. If the Commission fails to approve an executed EAPA within 365 days of filing, Delmarva Power and the Bidder will each have the right to terminate the EAPA without liability. If the Commission approves an EAPA subject to amendments or conditions thereto, either party will have the right to terminate the EAPA without liability if it is materially adversely affected by such amendments or conditions. If the Commission fails to approve the executed EAPA on or before the DEPSC Approval deadline (365 days after the filing date), the Delivery Date shall be extended on a day-to-day basis.

11. ACCOUNTING CONSIDERATIONS

Because generally accepted accounting principles and/or credit rating agencies may characterize purchase obligations under long-term EAPAs as either debt or other long-term obligation, Delmarva Power will, as part of its review, analyze the extent to which the purchase obligation described in any Proposal may have negative implications for Delmarva Power's financial statements. For such Proposals, Delmarva Power will compute a debt (or other long term obligation) offset cost, which will be calculated to account for the incremental equity required to return Delmarva Power's capital structure to the ratios that would be in place excluding the Proposal's purchase costs being either recorded or imputed as debt or other long-term obligation on Delmarva Power's financial statements. The costs of any such recorded or imputed debt or other long-term obligation will be factored into Delmarva Power's Price Factor Evaluation, but Delmarva Power reserves the right to continue its analysis of accounting considerations beyond its evaluation of Proposals.

Additionally, Delmarva Power will not execute an EAPA with a Bidder where being party to the EAPA would result in Delmarva Power's consolidating the Bidder or an affiliate of the Bidder in Delmarva Power's financial statements pursuant to Financial Accounting Standards Board Accounting Standard Codification 810 – Consolidation and any amendments thereto and restatements thereof. Such determination would be solely made by Delmarva Power's accountants.

All Proposals will be assessed for appropriate consolidation accounting and/or tax treatment. Bidders shall supply Delmarva Power with any information necessary for Delmarva Power and its accountants to make such assessments. Such information may include, but is not limited to, data supporting the economic life, the fair market value, executory costs, non-executory costs and investment tax credits or other costs (including debt specific to the Facility) associated with the Proposal.

All financial and accounting determinations made by Delmarva Power and the effect of each will be within the exclusive discretion of Delmarva Power, its accountants, auditors, employees or others upon whom it may rely.

12. CONFIDENTIALITY

Delmarva Power will take reasonable precautions and use reasonable efforts to protect any proprietary or confidential information contained in a Proposal, provided that the Bidder has clearly identified such information as confidential on the page on which it appears. However, Bidders acknowledge that Delmarva Power may be required to make such proprietary and/or confidential information available to the Commission, the Independent Evaluator, court or other governmental agencies having jurisdiction over Delmarva Power. In making such disclosure, Delmarva Power will use reasonable efforts, by, among other things,

limiting disclosure to generic information (number of responsive Proposals and range of prices, contract lengths, and REC quantities), not to disclose the identity of any Bidder or provide Bidder-specific information so long as such information otherwise continues to be confidential. Delmarva Power will not be required to appeal or challenge any determination by the Commission, a court or other governmental entity that information which a Bidder may consider proprietary and/or confidential must be provided to such Commission, court, other governmental entity or other individual or entity.

Subject to the measures to protect against self-dealing set forth in Section 13 of this RFP, Delmarva Power reserves the right to release confidential information to Delmarva Power's parent companies, subsidiaries and affiliates, and its and their officers, directors, employees, agents and representatives, for the purpose of evaluating Proposals. Delmarva Power will use reasonable efforts to cause such persons or entities to observe the same care with respect to disclosure as Delmarva Power is obligated to use. Under no circumstances will Delmarva Power, its parent companies, affiliates, subsidiaries, or any officers, directors, employees, agents or representatives of any of them, be liable to any Bidder for any damages resulting from any disclosure of information provided in response to this RFP before, during or after the RFP process.

13. MEASURES TO PROTECT AGAINST SELF-DEALING

Delmarva Power will not submit a Proposal pursuant to this RFP. An affiliate of Delmarva Power may submit one or more Proposals, each of which will be evaluated under the same evaluation process as all other Proposals.

In order to: (i) assure that that no affiliate of Delmarva Power that submits a Proposal in response to this RFP receives favorable treatment compared to other Bidders; and (ii) maintain a functional separation between Delmarva Power's evaluation team and any affiliate planning to submit a Proposal or any employee of Delmarva Power that may be working on a self-build proposal under active development, Delmarva Power and any affiliate intending to submit a Proposal shall comply with the FERC Code of Conduct and shall implement the following procedures:

- 1) No employee working on an affiliate Proposal (or a self-build option under active development in the context of Delmarva Power's Integrated Resources Plan (IRP)) will be allowed to review any Proposal information, to participate in the evaluation process as a member of the evaluation team, or to communicate with any member of the evaluation team and vice versa with respect to the Proposals. All Delmarva Power employees and other members of the Proposal evaluation team will be required to maintain the confidentiality of Bidder information pursuant to Section 12 of this RFP.

- 2) All requirements of the RFP, including credit support requirements, shall apply to any affiliate of Delmarva Power that submits a Proposal in response to this RFP.
- 3) Any bidder that contends, in good faith and with substantial evidence supporting the contention, that self-dealing occurred is entitled to contest approval of the EAPA between Delmarva Power and its affiliate on that basis in the proceeding to approve such EAPA before the Commission.

14. NON-DISCRIMINATION POLICY

Throughout the RFP evaluation and EAPA negotiation processes, Delmarva Power will not discriminate between, or grant preferences to, any Bidder based on race, color, religion, creed, sex, sexual orientation, gender identity, national origin, ancestry, age, disability or other protected status in accordance with legal requirements. Delmarva Power's consideration, evaluation and selection of Proposals shall be entirely based on the merits of each Proposal and not upon unrelated factors.

15. GENERAL DISCLAIMER AND RESERVATION

Each Bidder is responsible for its costs incurred in responding to this RFP and any costs incurred negotiating an EAPA and subsequent Commission approval or other proceedings.

Delmarva Power has prepared the information provided in this RFP to assist potential Bidders in deciding whether to respond. Neither the RFP nor any other related correspondence from Delmarva Power, its parent companies or affiliates, nor its or their employees, officers, directors, agents, or consultants shall be considered legal, financial or other advice and do not establish a contract or any contractual obligations.

Delmarva Power does not make any representations or warranties regarding the information in the RFP and does not purport that the RFP contains all information needed for Bidders to determine whether to submit a Proposal. Neither Delmarva Power nor its parent companies, affiliates, its or their employees, officers, directors, agents or consultants will make, or will be deemed to have made, any current or future representation, promise or warranty, express or implied, as to the accuracy, reliability or completeness of the information contained within the RFP or any other information provided to Bidders.

Bidders participating in this RFP shall not have legal recourse or claims against Delmarva Power, its parent companies or any of its affiliates, or its or their employees, officers, directors, agents or contractors, due to Delmarva Power's rejection, in whole or in part, of their Proposal(s), for failure to reach agreement on an EAPA, for failure to obtain Commission approval, or for any reason whatsoever related to such parties' acts or omissions arising out of or in connection with the RFP process or in connection with the rejection of a Proposal

by Delmarva Power, failure by Delmarva Power to execute an EAPA or failure of an EAPA to achieve Commission approval.

Delmarva Power reserves the right to reject, for any reason or no reason, any and/or all Proposals and shall determine in its sole discretion whether to enter into an EAPA or recommend approval of an EAPA to the Commission or other applicable governmental agencies. Delmarva Power may initiate EAPA negotiations with one or more Bidders at any time and Delmarva Power reserves the right to negotiate and enter into an EAPA with a Bidder other than the Bidder offering the lowest pricing or evidencing the greatest technical ability. Delmarva Power reserves the right to modify, cancel or withdraw this RFP and to revise the schedule specified in the RFP if, in Delmarva Power's sole discretion, such changes are necessary or beneficial to Delmarva Power. To the extent reasonably possible, Delmarva Power will inform Bidders that have filed a Notice of Intent to Bid of any such change. Delmarva Power further reserves the right to waive, in its sole discretion, any irregularity or defect in Proposals received and to consider alternatives outside of this solicitation. The disclaimers and reservations of rights set forth in this paragraph are limited by the obligation of Delmarva Power to operate in good faith and within Delmarva Power's obligations as governed by law, regulations, rules, and orders of the Delaware Public Service Commission and other regulatory agencies.

Bidders are not permitted to announce or release any information regarding this RFP or Delmarva Power's evaluation process without Delmarva Power's prior written approval, which Delmarva Power may withhold approval in its sole discretion. Each Bidder understands and agrees that Delmarva Power does not participate in, nor does it allow, Bidders to utilize media releases of any kind to publicize Bidder's business relationship with Delmarva Power. Each Bidder shall not use any trade name, trademark, service mark or any other information which identifies Delmarva Power in such Bidder's sales, marketing and publicity activities without Delmarva Power's express prior written consent. Successful Bidders agree to cooperate with Delmarva Power in preparation of any press release announcing the results of this RFP.

Nothing in this RFP limits Delmarva Power's right, and Delmarva Power expressly reserves its right, to enter into one or more bilateral contracts for RECs outside of this RFP process or solicit renewable energy from resources other than wind energy generation resources.

ATTACHMENT A
Notice of Intent to Bid Form

Our organization intends to submit a Proposal in response to the Delmarva Power & Light Company Request for Proposals for wind-generated Renewable Energy Credits:

NAME OF BIDDER:

Address:

Contact Name:

Title:

Phone:

Email:

Alternate

Contact Name:

Title:

Phone:

Email:

Description of Facility
(include nameplate
rating of Facility and
percentage of Facility
associated with
Proposal)

Please return Notice of Intent to Bid electronically no later than 5:00 PM Eastern on May 14, 2018 to the following e-mail address:
DErecrfpcoordinator@delmarva.com. Include "NOTICE OF INTENT TO BID" as the subject for the electronic submittal.

ATTACHMENT B
Proposal Form

BIDDER INFORMATION		
1.	Company Name	
2	Primary Contact Name	
3.	Address	
4.	Telephone	
5.	Email	
6.	Form of organization of Bidder (i.e., corporation, limited liability company, partnership, etc.	
7.	Jurisdiction of formation of Bidder	
8.	Ultimate parent company of Bidder	
9.	Please attach a summary of Bidder's background and experience in wind energy projects	
10.	Entity providing credit support on behalf of Bidder (if applicable)	
	Name	
	Address	
	Type of Relationship	
11.	Current senior unsecured debt rating	
	S&P	
	Moody's	
	Dun & Bradstreet #	
12.	Bank references	
	Name of institution	
	Contact name and title	
	Address	
	Telephone	
13.	As a separate attachment, please list all lawsuits, regulatory proceedings, or arbitrations in which the Bidder or its affiliates or predecessors have been or are engaged that could affect the Bidder's performance of its Proposal. Identify the parties involved and the final resolution or present status of such matters.	
14.	Please provide copies of Bidder's annual reports for the three most recent fiscal years and quarterly reports for the most recent quarter ended, if applicable.	

FACILITY AND DELIVERY POINT INFORMATION		
15.	Name of Facility	
16.	Planned or existing Facility	
17.	Location	
	City, County and State	
	Map Coordinates (longitude and latitude)	
	PJM Delivery Point (name and Pnode)	
18.	Description of Facility and wind generation equipment	
19.	Site control (lease, own, site purchase pending, etc.)	
20.	Please attach a copy of all leases, easements or other ownership documentation	
21.	Please describe any known environmental issues	
22.	Please list and describe all city, county, state and federal permits required for Proposal, including status, duration and timeline.	
23.	Nameplate capacity of Facility(ies)	
24.	GATS ID	
25.	Percentage of nameplate capacity of Facility(ies) dedicated to Proposal	
26.	Interconnection status of Facility(ies)	
PROPOSAL TERMS		
27.	Proposed duration of service under EAPA	
28.	Expected date for commencement of service under EAPA	
29.	Delivered REC Amount	
30.	REC price	

Proposal Form should be submitted electronically, in PDF format no later than 5:00 PM Eastern Time on May 31, 2018 to the following e-mail address: DErecrfpcoordinator@delmarva.com. Include "PROPOSAL" as the subject for the electronic submittal.

ATTACHMENT C

Proposed Form of Order

In the Public Service Commission of the State of Delaware

In The Matter of the Request for)
Proposals and the Review and Approval)
of Any Proposed Contract(s) for the)
Purchase of Wind-Generated Renewable) Docket No. 16-1031
Energy Credits by Delmarva)
Power & Light Company)
(filed November 1, 2016))

Order

AND NOW, this ____ day of June, 2018:

WHEREAS, on June 18, 2014, Exelon, PHI, Delmarva Power & Light Company ("Delmarva"), and other related entities filed an application with the Commission seeking approval of the proposed Merger of Exelon and PHI (the "Merger") and the resulting change in control of Delmarva Power, pursuant to 26 Del. C. §§ 215 and 1016; and

WHEREAS, After extensive discovery and filing of testimony, Staff, the Public Advocate, the Joint Applicants and intervenors engaged in lengthy and detailed settlement discussions and eventually agreed to the terms of a proposed settlement (the "Amended Merger Settlement Agreement"); and

WHEREAS, after evidentiary hearings, the Commission approved the Amended Merger Settlement Agreement and the Merger;¹ and

¹ See, Order No. 8746, June 2, 2015.

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WHEREAS, paragraph 84 of the Amended Merger Settlement Agreement contains an obligation for Delmarva Power to issue competitive requests for proposals ("RFPs") to purchase wind Renewable Energy Credits ("RECs") on commercially reasonable terms in three tranches (the "Wind RFP Commitment");² and

WHEREAS, on December 1, 2016, we approved the RFP for Tranche 1 of the Wind RFP Commitment;³ and

² Paragraph 84 of the Merger Settlement Agreement provides as follows:

"For the purpose of meeting the renewable portfolio standards under current law, Delmarva Power will issue a competitive request for proposals ("RFP(s)") to purchase wind Renewable Energy Credits ("RECs") on commercially reasonable terms in three tranches: (1) the first for RECs from one or more renewable generating facilities with an aggregate capacity of up to 40 MW (nameplate) beginning in the compliance years 2017-2018 for a term of 10 to 15 years; (2) the second for RECs from one or more renewable generating facilities with an aggregate capacity of up to 40 MW (nameplate) beginning in the compliance years 2019-2020 for a term of 10 to 15 years; and (3) the third for RECs from one or more renewable generating facilities with an aggregate capacity of up to 40 MW (nameplate) beginning in the compliance years 2023-2024 for a term of 10 to 15 years. The Settling Parties agree that if circumstances or conditions change (including but not limited to a material change in the projected load of Delmarva Power such that fewer RECs are required, or a substantial change in the cost of RECs through the spot market such that additional spot-market purchases in lieu of long-term contract purchases would be prudent), they will work in good faith with each other and present any proposed modification to the Commission as may be warranted by those changed conditions. The primary factor under the RFP bid process will be price, and all costs associated with the REC agreement(s) will flow through the Renewable Portfolio Compliance Rate surcharge currently in place to assure complete and timely cost recovery by Delmarva Power. Delmarva Power, with the concurrence of the Renewable Energy Task Force, shall file any such RFP pursuant to this paragraph with the Commission for its review and required approval prior to issuance. Any proposed contract(s) resulting from the RFP shall also be submitted to the Commission for final review and approval before execution."

³ Order No. 8990, PSC Docket No. 16-1031 (December 1, 2016).

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WHEREAS, the Tranche 1 RFP was issued by Delmarva Power on February 17, 2017. Delmarva has informed the Commission that an experienced wind farm developer/operator was the lowest bidder in the Tranche 1 RFP; that negotiations on necessary modifications to the RFP model contract began and were proceeding on schedule; that near the conclusion of negotiations on a final contract, the bidder informed Delmarva that it could not obtain authority from its parent for the necessary contract security; and that as a result, a contract was never executed by the winning bidder; and

WHEREAS, to address the fact that the Tranche 1 RFP did not result in a 40 mW REC contract, Delmarva created a Tranche 2 RFP that has the following two changes when compared to the previously-approved Tranche 1 RFP: (1) the Tranche 2 RFP includes an option for bidders to propose an additional 40 mW (i.e., up to 80 mW) in their bids; and (2) the contract security provisions have been modified to provide more options for providing the required contract security; and

WHEREAS, Delmarva Power has requested approval from the Commission of the Tranche 2 RFP; and

WHEREAS, the Amended Merger Settlement Agreement also requires Delmarva Power to obtain the concurrence of the

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Renewable Energy Task Force with respect to the Tranche 2 RFP;⁴
and

WHEREAS, the Renewable Energy Task Force has provided the necessary concurrence; and

WHEREAS, Delmarva, Staff, and the Public Advocate agree that the draft form of Tranche 2 RFP provided to the Commission for its review is consistent with the requirements of Paragraph 84 of the Amended Merger Settlement Agreement and as such, should be approved; and

WHEREAS, the Commission, having carefully reviewed the Tranche 2 RFP and the positions of the parties, hereby orders as follows:

NOW THEREFORE, IT IS ORDERED BY THE AFFIRMATIVE VOTE OF NOT FEWER THAN THREE COMMISSIONERS

1. That the Tranche 2 RFP is approved.
2. That consistent with the provisions of Paragraph 84 of the Amended Merger Settlement Agreement, Delmarva Power will seek approval of any proposed REC purchase contract(s) resulting from the Tranche 2 RFP through a subsequent filing in this docket.

⁴ Paragraph 84 of the Merger Settlement Agreement provides: "...Delmarva Power, with the concurrence of the Renewable Energy Task Force, shall file any such RFP pursuant to this paragraph with the Commission..."

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3. That such approval filing(s) will include, among other things: (a) an application and prefiled testimony supporting the requested approval of any proposed REC purchase contract(s), and (b) evidentiary hearings after public notice.⁵

4. That the Commission reserves the jurisdiction and authority to enter such further orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION

Chair

Commissioner

Commissioner

Commissioner

Commissioner

ATTEST:

⁵ 26 Del.C.§ 1007 (b) and 29 Del. C. §10124.