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atlanticcityelectric.com

January 25, 2022

VIA ELECTRONIC MAIL

aida.camacho@bpu.nj.gov
board.secretary@bpu.nj.gov

Aida Camacho-Welch
Secretary to the Board
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
P.O. Box 350
Trenton, NJ 08625-0350

RE: In the Matter of the Petition of Atlantic City Electric Company for Approval of the Modification of Power Purchase Agreements with Chambers Cogeneration Limited Partnership and Logan Generating Company, L.P.
BPU Docket No. EM21121253

Dear Secretary Camacho-Welch:

The undersigned serves as Assistant General Counsel to Atlantic City Electric Company (“ACE” or the “Company”). Upon petitioning the Board of Public Utilities (“Board”), ACE indicated that certain exhibits would be submitted under separate cover. Accordingly, the Company now submits those documents for the Board’s consideration.

Enclosed herewith for filing is an electronic copy of

- **Exhibit I** – Chambers Settlement Agreement, and
- **Exhibit J** – Logan Settlement Agreement.

Consistent with the Order issued by the Board in connection with *In the Matter of the New Jersey Board of Public Utilities’ Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations*, BPU Docket No. EO20030254, Order dated March 19, 2020, these documents are being electronically filed with the Secretary of the Board and the New Jersey Division of Rate Counsel, with copies to the Service List. No paper copies will follow.

Aida Camacho-Welch

January 25, 2022

Page 2

Thank you for your cooperation and all courtesies extended. Please contact me with any questions or concerns with this filing. I am happy to provide any further assistance that I can.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Cynthia L.M. Holland".

Cynthia L.M. Holland
An Attorney at Law of the
State of New Jersey

Enclosures

cc: Service List

Exhibit I

Chambers Settlement Agreement

Executed

SETTLEMENT AGREEMENT

between

ATLANTIC CITY ELECTRIC COMPANY

and

CHAMBERS COGENERATION LIMITED PARTNERSHIP

This SETTLEMENT AGREEMENT (“**Settlement Agreement**”) is entered into as of January 25, 2022 (the “**Agreement Date**”) between Atlantic City Electric Company (“**ACE**”), a New Jersey corporation, and Chambers Cogeneration Limited Partnership, a Delaware limited partnership (“**Seller**”). ACE and Seller are sometimes referred to herein individually as a “**Party**” and jointly as the “**Parties**.”

RECITALS

- A. ACE and Seller are parties to (i) that certain Agreement for Purchase of Electric Power, dated as of September 29, 1988, as amended pursuant to amendments dated December 19, 1988, January 25, 1989, February 23, 1989, December 20, 1989, and March 20, 1991 (the “**PPA**”) and (ii) that certain Power Sales Agreement dated June 9, 2021 (the “**PSA**”) (collectively, together with any related agreements to which Seller and ACE are a party, the “**Contracts**”).
- B. Pursuant to the terms and conditions and subject to the conditions precedent, each as set forth herein, the Parties wish to terminate certain of their obligations under the Contracts, as described herein.

AGREEMENT

In consideration of the terms and conditions set forth in this Settlement Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Partial Termination of the Contracts.

- (a) Except as set forth in the Letter Agreement (defined below) and subject to the terms and conditions of this Settlement Agreement, each of the Contracts shall terminate effective as of 11:59 p.m. (the “**Closing Time**”) on the date on which all of the conditions specified in Section 6 below are satisfied or waived by the Parties or such later date as agreed to in writing by the Parties (the “**Closing**”). Except as set forth in the Letter Agreement, from and after the Closing Time, neither ACE nor Seller shall have any continuing obligations under the Contracts. For the avoidance of doubt, the Contracts shall remain in full force and effect until the occurrence of the Closing Time, and the Parties reserve all rights, remedies, claims, suits and demands related to

- the Contracts unless and until the Closing occurs. Without limiting the generality of the foregoing, Seller shall pay ACE for any PJM (as defined below) penalties incurred by ACE prior to the Closing Time associated with the Contracts and for which Seller is responsible under the Contracts.
- (b) From and after the Closing Time, the Parties' obligations with respect to the Contracts and the Power Plant shall be exclusively as set forth in this Settlement Agreement, the Letter Agreement, the Modified Agreement (defined below) and the Mutual Release. Without limiting the generality of the foregoing, ACE shall continue to pay Seller in accordance with the terms of the Contracts until the Closing Time; from and after the Closing Time, ACE's payment obligations shall be exclusively as set forth in this Settlement Agreement.
 - (c) In the event that either of the Parties terminates the PPA prior to the Closing Time pursuant to the terms thereof, this Settlement Agreement shall automatically terminate, and if such action occurs prior to BPU Approval (defined below), ACE shall rescind the Application (defined below) with respect to this Settlement Agreement.
 - (d) Regarding the generator deactivation request submitted by ACE to PJM in respect of the Power Plant, ACE shall take all necessary action prior to the Closing Time to extend the deactivation date as necessary to be consistent with the Parties' performance of their obligations and preservation of their rights under or pursuant to this Settlement Agreement, including such rights and obligations as accrue prior to, at or after Closing, and including, without limitation, that such deactivation not occur during the period in which the Seller is entitled to continue operating the Power Plant after the Closing. For the avoidance of doubt, all of ACE's obligations with respect to the PJM generator deactivation process for the Power Plant shall cease at Closing.

2. BPU Approval.

- (a) ACE shall prepare and prosecute an application, testimony, or other filing (collectively, the "**Application**") (including, without limitation, filing responses to any requests from the New Jersey Board of Public Utilities (the "**BPU**") as needed to obtain the BPU Approval, which Application shall be in form and substance acceptable to both Parties), except for those parts of the Application that ACE files as confidential, which Seller shall not have the right to review. ACE shall use commercially reasonable efforts to file the initial Application within thirty (30) days after the Agreement Date. Seller shall reasonably cooperate with ACE in preparing the Application and obtaining the BPU Approval; provided, however, except for responses to interrogatories and other requests from the BPU, the BPU staff or any party in the BPU Approval proceeding that Seller may reasonably determine are necessary to preserve its interests, Seller shall not file any pleading or take any other formal action in the associated proceedings with respect to the Application or the BPU Approval process without the consent of ACE, such consent not to be unreasonably withheld, conditioned or delayed. Notwithstanding anything else herein to the contrary, each Party shall bear its own costs associated with seeking BPU Approval.

- (b) If the BPU issues an order approving this Settlement Agreement with conditions or modifications that alter (A) the commercial aspects or other terms and provisions of this Settlement Agreement (including any modifications to the Letter Agreement, the Modified Agreement or the Mutual Release) and/or (B) the requested relief contained in the Application, then the Parties may, but are not required to, renegotiate and amend this Settlement Agreement, as necessary, and then seek BPU Approval thereof; provided, however, that upon the issuance of a BPU order with conditions or modifications as described in this Section 2(b), either Party may terminate this Settlement Agreement upon delivery of Notice to the other Party, subject to Section 11(d) below.
- (c) For purposes of this Settlement Agreement, **“BPU Approval”** means a final and non-appealable order of the BPU, without conditions or modifications unacceptable to ACE or to Seller, which approves (i) this Settlement Agreement in its entirety, including payments to be made by ACE, (ii) assurance of cost recovery of all of ACE's costs of this Settlement Agreement from all benefiting customers and (iii) such other related matters as may be reasonably requested by ACE in its request to the BPU for BPU Approval. BPU Approval shall be deemed to have occurred on the earlier of (x) the date that a BPU decision containing such findings becomes final and non-appealable or (y) the date on which all of the parties with standing to appeal such a BPU decision enter into a settlement agreement accepting such a BPU decision (the **“BPU Approval Date”**).

3. Claims under the Contracts.

Between the Agreement Date and the Closing, each Party will deliver to the other Party a “Notice” (as hereinafter defined) of any and all actions, causes of action, choses in action, suits, debts, dues, sums of money, obligations, losses, compensation, attorneys’ fees, liabilities, accounts, rights, contracts, controversies, agreements, promises, costs, damages, judgments, executions, claims, counterclaims and demands whatsoever, whether in law, in equity or otherwise, (collectively, **“Claims”**) under or related to the Contracts or this Settlement Agreement of which such Party is or becomes aware on or after the Agreement Date and prior to the Closing (herein, the **“Disclosed Claims”**), which Notice shall be supplemented as necessary prior to the Closing; provided, however, that, for the avoidance of doubt, the Disclosed Claims shall not include (1) Claims arising after the Closing under the surviving provisions of the PPA, as set forth in the Letter Agreement (such surviving provisions of the PPA, the **“Modified Agreement”**), (2) the Final Payment and True-Up Payment (each defined below), and (3) Claims arising under this Settlement Agreement after the Closing. The Parties will use commercially reasonable efforts to resolve the Disclosed Claims prior to the Closing, although neither Party shall have any obligation to agree to any resolution of any Disclosed Claim prior to, at or after the Closing. Any Disclosed Claims not fully resolved prior to the Closing and the resolution of which is waived by the Parties (in writing and with each Party’s waiver being given or withheld in its sole discretion) for the purposes of satisfying the condition precedent at Section 5(i) of this Settlement Agreement are collectively referred to herein as **“Unresolved Claims.”** The Parties shall

retain all of their rights and remedies with respect to the Unresolved Claims after the Closing.

4. 2023/24 Capacity Obligations.

- (a) ACE may, in its sole discretion, request from PJM Interconnection, L.L.C. (“**PJM**”) a must-offer exception for the 2023/24 planning year BRA auction (“**the 23/24 Auction**”).
- (b) Except in the event the Closing occurs prior to the 23/24 Auction, ACE shall offer the Power Plant’s capacity into the PJM Capacity Market for the 2023/24 planning year, subject to Seller’s obligations under Section 5(b).

5. Conditions Precedent to Closing.

The following conditions precedent shall be satisfied before the Closing can occur and the Parties are obligated to consummate the transactions contemplated by this Settlement Agreement, provided that either Party may waive any such condition in whole or in part and in its sole discretion as a condition precedent to its obligations at Closing:

- (a) *BPU Approval.* The BPU Approval Date shall have occurred;
- (b) *PJM Capacity Obligations.* Seller shall relieve ACE of all of its obligations in the PJM Capacity Market with respect to the Power Plant arising after the Closing by (i) either (x) becoming a PJM member and assuming ownership of the Power Plant in the PJM Market Settlement Reporting System or (y) contracting with a PJM member (“**Seller’s Designee**”) to assume ownership of the Power Plant in the PJM Market Settlement System and (ii) entering into Bilateral Transactions in the PJM Capacity Exchange to transfer both performance obligations and rights to the capacity from ACE to Seller or Seller’s Designee, as applicable, and all of ACE’s Reliability Pricing Model commitments associated with the Power Plant, as listed in Exhibit A, which Bilateral Transactions shall have been approved by PJM;
- (c) *Modified Agreement Approval.* The FERC shall have accepted the Modified Agreement and the Letter Agreement to the extent required under the Federal Power Act;
- (d) *Compliance with Settlement Agreement.* Each of the Parties shall have complied in all material respects with its obligations under this Settlement Agreement through the Closing Time; provided, however, that a Party shall be deemed to have waived this condition precedent insofar as it would otherwise apply to such Party’s own failure to comply with its obligations under this Settlement Agreement;
- (e) *No Termination.* Neither Party shall have terminated any of the Contracts;

- (f) *Power Plant Operation.* The Power Plant shall not have suffered physical damage to the extent that the Power Plant would be unable to deliver any “Net Plant Output” (as defined in the PPA) as required under the PPA for more than one hundred twenty (120) consecutive days;
- (g) *Qualifying Facility.* The Power Plant shall have maintained its status as a qualifying facility meeting the criteria of a cogeneration facility as defined by FERC in Title 18, Code of Federal Regulations, §§ 292.201 through 292.207, as amended from time to time;
- (h) *Final Payments.* At least three (3) days prior to the Closing, (1) ACE shall provide Seller with an estimate of all amounts due from each of the Parties to each of the Parties under the Contracts and under this Settlement Agreement through the Closing Time (the “**Final Payments**”), which estimate shall be binding absent manifest error but subject to post-closing true-up as provided in Section 7 below (for the avoidance of doubt, the Final Payments shall only cover periods of time before the Closing Time) and (2) each of the Parties shall provide the other Party with wire instructions for the account to which any Final Payment should be made at the Closing; provided, however, that the Final Payments shall not include any amounts in respect of Excepted Claims;
- (i) *Resolution of Disclosed Claims.* The Parties shall have mutually agreed in writing to the resolution of all Disclosed Claims (other than those for which resolution has been waived for purposes of this condition precedent and thus deemed Unresolved Claims hereunder and described in the exhibit to the Mutual Release); and
- (j) *Regulatory Filings and Approvals.* All regulatory filings and approvals and the like required for the Closing, in accordance with the terms and conditions of this Settlement Agreement, shall have been made or obtained, and all applicable waiting periods expired. No Party shall be obligated to achieve Closing under this Settlement Agreement to the extent changes to this Settlement Agreement or its subject matter are required by any regulators.
- (k) *Metering, Dispatch and Bidding.* Seller and ACE shall enter into a mutually acceptable agreement providing for ACE to provide the services as set forth in Exhibit G attached hereto to Seller for up to three months after the Closing Time at cost, with overhead as applicable, for those services and providing that ACE will not in any event incur any liability under such agreement.
- (l) *Seller Approvals.* All notices, consents, including, without limitation, the Specified Consent (as hereinafter defined), if and only if the Epsilon Acquisition (as hereinafter defined) is not closed prior to the Closing, approvals and other actions required for the Closing and arising pursuant to contractual obligations of or binding upon Seller, as set forth on Exhibit F (the “**Seller Approvals**”), in accordance with the terms and conditions of this Settlement Agreement, shall have been made or obtained, the status of which Seller will provide from time-to-time as reasonably requested by ACE. In

connection herewith, Seller represents and warrants to ACE that, except for the approval of FERC pursuant to Section 203 of the Federal Power Act, there is no other discretionary action by the selling party or any third party that constitutes a condition precedent to the selling party's obligation to close the acquisition of Epsilon Power Partners, LLC and its 40% partnership interest in Seller (the "**Epsilon Acquisition**").

6. Closing.

The Parties shall take the following actions at the Closing, in each case effective as of the Closing Time:

- (a) The Parties shall enter into the Letter Agreement Regarding Continuation of Interconnection Rights and Obligations under Agreement for Purchase of Electric Power in the form of Exhibit B hereto (the "**Letter Agreement**");
- (b) The Parties shall enter into the Mutual Release in the form of Exhibit C hereto (the "**Mutual Release**") releasing each other from any and all Claims under the Contracts or this Settlement Agreement other than (1) the Final Payment and True-Up Payment, (2) Claims arising under this Settlement Agreement after the Closing, (3) Claims arising under the Modified Agreement after the Closing and (4) Unresolved Claims (the claims described in clauses (1) through (4) are referred to as "**Excepted Claims**"); and
- (c) Each of the Parties shall have made its Final Payment, if any, to the other Party by wire transfer of immediately available funds.

If the Closing occurs, then all conditions precedent to the Closing set forth in Section 5 shall be deemed satisfied or waived, and in no event shall this Settlement Agreement be subject to rescission after the Closing. For the avoidance of doubt, Closing under this Settlement Agreement will not be contingent upon closing under the settlement agreement between ACE and Seller's affiliate, Chambers Cogeneration Limited Partnership.

7. True-Up of Final Payments.

- (a) Within sixty (60) days following the Closing, ACE shall prepare and deliver to Seller a schedule reconciling the Final Payment (which was based on estimates) against the actual amounts, other than those amounts associated with Excepted Claims, due to each of the Parties under the Contracts and under this Settlement Agreement through the Closing Time (the "**Reconciliation Schedule**"). Seller shall have ten (10) days from the receipt of the Reconciliation Schedule to review the Reconciliation Schedule. In connection with such review, ACE shall make available to Seller and its accountants the books and records and any working papers, calculations and other documents relating to the preparation of the Reconciliation Schedule. In the event Seller disagrees with any or all of the Reconciliation Schedule, the Parties will use commercially reasonable efforts to

resolve that dispute through good faith negotiation between them. If such dispute cannot be resolved through good faith negotiations within thirty (30) days after Seller informs ACE that it disagrees with the Reconciliation Schedule, such dispute shall be resolved in accordance with Section 17 below.

- (b) The net amount due to Seller or ACE on the Reconciliation Schedule agreed to by ACE and Seller or determined after the final resolution of any dispute with respect thereto (the **“True-Up Payment”**) shall be paid to the Party owed such amount within five (5) days after such agreement or resolution by wire transfer of immediately available funds to an account identified by the Party receiving such payment at least three (3) days in advance of such payment being made.

8. Termination Payments.

During any period subsequent to the Closing Time in which Seller is in compliance in all material respects with its obligations under this Settlement Agreement, ACE shall pay Seller the monthly amounts set forth under the “Total Payment” column in Exhibit D hereto; provided that the amount due for the calendar month in which the Closing occurs shall be prorated based on the number of days in such month occurring following the Closing Time. For the number of days prior to the Closing in the calendar month in which the Closing occurs, ACE will pay Seller a prorated amount under the applicable terms of the existing PPA and PSA. The amounts payable by ACE under this Section 8 will be fixed and not subject to any sort of escalation or other adjustment. The Parties acknowledge that no payments shall be made by ACE to Seller under this Settlement Agreement for any time period occurring prior to the Closing Time. For avoidance of doubt, for all calendar months occurring prior to the calendar month in which the Closing occurs, ACE shall make payments only under the applicable terms of the existing PPA and PSA.

9. Power Plant Operations.

- (a) At all times, both before and after Closing, Seller shall bear all costs related to the ownership of the Power Plant, including, without limitation, operations, shutdown, termination of contracts related to plant operations or otherwise, and compliance with legal and regulatory obligations; provided, however, that the foregoing provisions of this sentence shall not be construed as relieving any party to the Contracts of their obligations thereunder that arise or accrue prior to the Closing.
- (b) Within three months after the later to occur of (a) the Closing and (b) receipt of all regulatory approvals for steam generation with gas fired boilers, Seller shall permanently cease any coal-fired electric generation at the Power Plant and the associated real property and thereafter on or before the end of such three-month period, Seller shall permanently cease the combustion of any coal at the Power Plant and the associated real property; provided, however, that, in the event that Seller has not permanently ceased the combustion of any coal at the Power Plant and the associated real property within three months after Closing, Seller will reduce the coal

combustion at the Power Plant to the level necessary only to satisfy steam obligations existing as of the Closing and any incidental energy produced; and provided further that the aforesaid reduction obligation shall be subject to minimum output levels required to meet regulatory requirements and technical specifications for the applicable equipment at the Power Plant. Seller will use commercially reasonable efforts to obtain such regulatory approvals for steam generation with gas and/or oil-fired boilers in an expedient manner.

- (c) Subject to the Closing having occurred, Seller shall cause any future owners of the Power Plant or the associated real property not to combust coal at the Power Plant or the associated real property.
- (d) Seller further agrees that, notwithstanding any change in law following the Closing, it will not assert any rights Seller may have to require ACE to purchase the output of the Power Plant or to pay a specified price therefor pursuant to the Public Utilities Regulatory Policy Act, as amended, and the regulations thereunder.

10. Financing Transactions.

In the event that Seller and/or its affiliates enter into one or more financing transactions in which their rights under this Settlement Agreement, the Modified Agreement and/or the Letter Agreement are security for such financing, then, if so requested by Seller, ACE shall enter into a consent to collateral assignment with the lenders or collateral agents in those transactions substantially in the form of Exhibit E hereto, as the same may be modified as reasonably agreed by such lenders or collateral agents, ACE and Seller.

11. Termination and Survival.

- (a) Unless terminated earlier pursuant to Section 2(b) above or Section 11(b) below, this Settlement Agreement shall terminate on the date on which the Parties have completed performance of all conditions and obligations set forth herein.
- (b) If Closing has not occurred by April 10, 2022, then this Settlement Agreement will automatically terminate with no further force and effect except as provided in Section 11(d) below and the applicable Contracts shall remain in full force and effect in accordance with their terms.
- (c) If the Closing does not occur and this Settlement Agreement is terminated, the Parties will take commercially reasonable efforts to unwind any transactions, processes and other actions taken in furtherance of this Settlement Agreement, including without limitation a withdrawal of the generator deactivation request submitted by ACE to PJM in respect of the Power Plant prior to the deactivation date stated therein.
- (d) Notwithstanding any provision of this Settlement Agreement to the contrary, Sections 4, 11(c), 17, 18 and 24 shall survive termination of this Settlement Agreement.

12. Setoff.

The transactions contemplated by this Settlement Agreement, Letter Agreement and the Modified Agreement are a single unified transaction. ACE shall be entitled, at its option and in its discretion, to withhold and set off any amounts owed by ACE to Seller under this Settlement Agreement against any undisputed payments and any other undisputed amounts owed by Seller to ACE under this Settlement Agreement or under the Modified Agreement.

13. No Partnership.

No provision of this Settlement Agreement shall be construed or represented as creating a partnership, trust, joint venture, agency, fiduciary or any similar relationship between the Parties. No Party is authorized to act on behalf of the other Party, and neither shall be considered the agent of the other.

14. Notices

Unless otherwise provided in this Settlement Agreement, any notice or request (“**Notice**”) shall be in writing to the address provided below and delivered by hand delivery, United States mail, overnight courier service, or electronic mail. Notice by electronic mail or hand delivery shall be effective at the close of business on the day received, if the entire document was received during business hours, and otherwise shall be effective at the close of business on the next business day after it was sent or personally delivered. Notice by overnight courier service shall be effective on the next business day after the postmarked date. Notice by United States mail shall be effective on the third (3rd) business day after it was sent. A Party may change its address by providing Notice of same to the other Party in accordance with this Section 14.

If to Seller:

Chambers Cogeneration Limited Partnership
c/o Starwood Energy Group
5 Greenwich Office Park
Greenwich, CT 06831
Attn: Asset Management
Phone: 203-422-7700
Email: energy.am@starwood.com

If to ACE:

Atlantic City Electric Company
c/o Pepco Holdings Inc.
Mailstop 88MK62
P.O. Box 231
Wilmington, DE 19899-0231
Attn: James B. Jacoby
Phone: (302) 429-3148
Email: James.Jacoby@exeloncorp.com

With a copy to:

Chambers Cogeneration Limited Partnership
c/o Starwood Energy Group
5 Greenwich Office Park
Greenwich, CT 06831
Attn: General Counsel
Phone: 203-422-7700
Email: energylegal@starwood.com

With a copy to:

Atlantic City Electric Company
150 W. State Street, Suite 5
Trenton, NJ 08608-11052
Attn: Phillip J. Passanante, Esq.
Phone: (302) 429-3105
Email: Philip.Passanante@pepcoholdings.com

15. Representations and Warranties.

Each of the Parties represents and warrants as follows:

- (a) It has read this Settlement Agreement and understands the contents hereof, and that it has made an investigation of the facts pertinent to this Settlement Agreement;
- (b) It has been represented by legal counsel of its own choice, or has had the opportunity to be represented, throughout all negotiations which preceded the execution of this Settlement Agreement and has executed this document with the advice of such legal counsel;
- (c) It has been duly authorized to enter into this Settlement Agreement and all other documents required pursuant to this Settlement Agreement; provided, however, that with respect to Seller and if the Epsilon Acquisition, as described in Section 5(l), is not closed, the aforesaid representation and warranty is subject to Seller's receipt of a consent and/or ratification of Seller's entry into this Settlement Agreement and all other documents required pursuant to this Settlement Agreement by Epsilon Power Partners, LLC (herein, the "**Specified Consent**"); and
- (a) It has the power and authority to perform all of the obligations required of it under this Settlement Agreement without obtaining any further consents or approvals from, or the taking of any other actions with respect to, any third parties, except with respect to Seller and if the Epsilon Acquisition, as described in Section 5(l), is not closed, the aforesaid representations and warranties are subject to Seller's receipt of the Specified Consent and, otherwise, except as elsewhere provided herein.

16. Entire Agreement.

This Settlement Agreement, the Letter Agreement, the Modified Agreement and the Mutual Release are the entire agreement between the Parties regarding the subject matter contained herein. This Settlement Agreement supersedes, and its terms govern, all prior proposals, term sheets, agreements, or other communications between the Parties, oral or written, regarding the subject matter contained herein. This Settlement Agreement cannot be modified or amended unless done so in a writing signed by authorized representatives of the Parties.

17. Applicable Law, Dispute Resolution.

- (a) This Settlement Agreement and the rights and duties of the Parties hereunder shall be governed by and interpreted, construed and enforced in all respects in accordance with the laws of the State of New Jersey applicable to contracts entered into and to be performed wholly within the State of New Jersey, without regard to principles of conflicts of law.

- (b) Except as expressly provided herein, if any dispute, controversy or claim between the Parties shall arise in connection with this Settlement Agreement, the Letter Agreement, the Modified Agreement or the Mutual Release, either party may seek to resolve such dispute, controversy or claim in the state or federal courts in the state of New Jersey, and the Parties irrevocably submit to the exclusive jurisdiction of any New Jersey state or federal court over any suit, action or proceeding arising out of or relating to this Settlement Agreement, the Letter Agreement, the Modified Agreement or the Mutual Release. To the fullest extent permitted by applicable law, the Parties irrevocably waive and agree not to assert, by way of motion, as a defense or otherwise, any claim that it is not subject to the jurisdiction of any such court, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding brought in any such court and any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.
- (c) THE PARTIES HEREBY WAIVE TRIAL BY JURY IN ANY ACTION BROUGHT ON OR WITH RESPECT TO THIS SETTLEMENT AGREEMENT, THE LETTER AGREEMENT OR THE MUTUAL RELEASE.

18. Limitation of Liability.

Neither Party, nor any of their respective partners or their affiliates nor any of their officers, directors, agents, subcontractors, vendors or employees shall be liable to the other for any incidental, consequential, punitive or other special damages, including but not limited to, lost profits, for nonperformance of its and/or their obligations hereunder.

19. Counterparts.

Each of this Settlement Agreement, the Letter Agreement and the Mutual Release may be executed in one or more counterparts, each of which will be deemed to be an original of the applicable agreement or instrument and all of which, when taken together, will be deemed to constitute one and the same agreement or instrument, as applicable. The exchange of copies of this Settlement Agreement, the Letter Agreement and the Mutual Release and of signature pages by facsimile transmission, Portable Document Format (i.e., PDF), or by other electronic means shall constitute effective execution and delivery of the applicable agreement or instrument as to the Parties and may be used in lieu of the original applicable agreement or instrument for all purposes.

20. Successors.

This Settlement Agreement is binding on and inures to the benefit of and is enforceable by the Parties and their respective successors.

21. Construction.

This Settlement Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and cannot be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof. Furthermore, the headings used herein are for convenience and reference purposes only.

22. Time is of the Essence.

The Parties agree that time is of the essence with respect to the Closing pursuant to this Settlement Agreement.

23. Further Assurances.

Each Party shall and shall cause each Party's successors and permitted assigns, from time to time at the request and sole expense of the other Party, furnish the other such Party such further information or assurances; execute and deliver such additional documents, instruments, and conveyances; and take such other actions and do such other things, as may be reasonably necessary to carry out the provisions of this Settlement Agreement and give effect to the transactions contemplated hereby.


24. No Admission.

The termination of the Contracts at Closing contemplated by this Settlement Agreement is a voluntary termination of the Contracts and is not the result of a breach or the occurrence of an event of default by either Party under the Contracts. The Termination Payments are not in lieu of damages for breach of or the occurrence of an event of default under the Contracts, but represent the value to both Parties of terminating the Contracts earlier than scheduled. This Settlement Agreement shall not constitute, and no action taken pursuant to this Settlement Agreement shall constitute, an admission of liability, responsibility or fault, or an admission of any fact concerning the Contracts by any party thereto.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have caused this Settlement Agreement to be executed by their duly authorized representatives on the dates indicated below their respective signatures.

CHAMBERS COGENERATION
LIMITED PARTNERSHIP

By: 
Name: Himanshu Saxena
Title: CEO

ATLANTIC CITY ELECTRIC
COMPANY

By: _____
Name: J. Tyler Anthony
Title: President and CEO
Pepco Holdings Inc.

IN WITNESS WHEREOF, the Parties hereto have caused this Settlement Agreement to be executed by their duly authorized representatives on the dates indicated below their respective signatures.

CHAMBERS COGENERATION
LIMITED PARTNERSHIP

By: _____

Name:

Title:

ATLANTIC CITY ELECTRIC
COMPANY

By:  _____

Digitally signed by John Anthony
DN: cn=John Anthony, o=Pepco Holdings Inc.,
ou, email=j.tyleranthony@pepcoholdings.com,
c=US
Date: 2022.01.25 09:00:15 -05'00'

Name: J. Tyler Anthony

Title: President and CEO

Pepco Holdings Inc.

EXHIBIT A

**RPM COMMITMENTS TO BE TRANSFERRED TO
SELLER OR SELLER'S DESIGNEE**

Year*	PPA	PSA	Total
2022/23	184.00	52.40	236.4 MW UCAP
2021/22	184.00	51.86	235.8 MW UCAP

* To include any additional RPM commitments for the 2023/24 planning year pursuant to Section 4(b) of the Settlement Agreement

EXHIBIT B

FORM OF LETTER AGREEMENT

[ATLANTIC CITY ELECTRIC COMPANY LETTERHEAD]

[_____], 2022

Chambers Cogeneration Limited Partnership
76 South Route 130
Swedesboro, NJ 08085-4525

Re: Continuation of Interconnection Rights and Obligations under Agreement for
Purchase of Electric Power

Ladies and Gentlemen:

Reference is made to:

- (1) That certain Agreement for Purchase of Electric Power, dated as of September 29, 1988, between Atlantic City Electric Company (“**Purchaser**”) and Chambers Cogeneration Limited Partnership (“**Seller**”), as amended pursuant to amendments dated as of December 19, 1988, January 25, 1989, February 23, 1989, December 20, 1989 and March 20, 1991 (the “**PPA**”); and
- (2) that certain Settlement Agreement dated as of January [__], 2022 between Purchaser and Seller (the “**Settlement Agreement**”).

Pursuant to the terms of the Settlement Agreement, effective as of 11:59 p.m. on the date hereof, Purchaser and Seller are terminating their obligations to purchase and sell the Net Plant Output and capacity from the Facility, and except as described below, all other obligations under the PPA, provided that Seller and Purchaser wish to continue the effectiveness of the PPA’s provisions related to interconnection of the Facility until such time as Seller ceases coal-fired electric generation at the Facility as provided in Section 9(b) of the Settlement Agreement. For the avoidance of doubt, Purchaser and Seller each acknowledges that (a) following cessation of coal-fired electric generation at the Facility, nothing in this letter agreement expands, restricts or modifies the rights Seller may have under the PPA or the PJM Open Access Transmission Tariff (“**OATT**”) to assign the PPA or the interconnection queue position held by Seller in PJM and (b) Purchaser is not making any representation as to Seller’s rights to retain any interconnection capacity at the point of interconnection or maintain its interconnection queue position other than as expressly provided in the PPA, as modified by this letter agreement or the PJM OATT.

In furtherance thereof, Purchaser and Seller agree that the following provisions of the PPA (the “**Surviving Provisions**”) shall survive the Closing under the Settlement Agreement and shall survive until the Termination Date (defined below); provided however that each of the Surviving

Provisions shall only continue in effect to the extent it impacts Purchaser's and Seller's rights and obligations as they relate to Purchaser's Interconnection Facilities and Seller's Interconnection Facilities:

Section 1.1.	Definitions of "Indirect Costs," "Point(s) of Delivery," "PJM Interconnection" or "PJM," "Purchaser's Interconnection Facilities," "Prudent Electrical Practices," "Scheduled Maintenance," "Seller's Facility" or "Facility," "Seller's Interconnection Facilities," "System Control Center"
Section 3.5	Prudent Electrical Practices
Section 8.1	Point of Delivery
Article 9	Interconnection
Section 10.3	Plans and Specifications
Section 10.4	Operating Standards
Section 11.2	Inspections and Tests
Section 11.3	Easements
Section 12.1	Limitation of Liability
Section 12.2	Indemnification
Article 14	Insurance
Article 15	Force Majeure
Article 16	Governmental Authority
Article 18	Miscellaneous
Exhibit C	Technical Guidelines for Cogenerators and Small Power Producers
Exhibit D	Drawing Showing Interconnection and Point of Delivery
Exhibit F	Technical Guidelines for Customer Service at Sub-Transmission and Transmission Voltages

Purchaser and Seller further agree that, in order to facilitate the agreements set forth herein, Sections 9.4 and 9.11 of the PPA are amended as follows:

- a. Section 9.4 of the PPA is deleted and replaced in its entirety as follows:

9.4 Operation and Maintenance of Interconnection. All maintenance and other direct and Indirect Costs of maintenance associated with the Purchaser's Interconnection Facilities, in each case first arising after the Closing, shall be borne by Seller until the earlier of (a) the effective date of an interconnection agreement among Seller (including Seller's affiliate or the transferee of Seller's interconnection rights permitted under this Agreement or the PJM Interconnection, L.L.C. tariff, as applicable (a "Permitted Transferee")), Purchaser and PJM Interconnection, L.L.C. with respect to Purchaser's Interconnection Facilities and Seller's Interconnection Facilities (including any required regulatory approvals associated with that interconnection agreement) or (b) the later to occur of (i) December 31, 2027 or (ii) the expiration of Seller's or Seller's affiliate's (or a Permitted Transferee's) PJM interconnection queue position in respect of the interconnection rights associated with Purchaser's Interconnection Facilities or such later time after such expiration as the PJM tariff may allow for the purpose of transferring the associated capacity injection rights (but in no event later than December 31, 2029).

b. Section 9.11 of the PPA is deleted and replaced in its entirety as follows:

9.11 Removal of Interconnection. In the event that an interconnection agreement among Seller (including Seller's affiliate or a Permitted Transferee), Purchaser and PJM Interconnection, L.L.C. with respect to Purchaser's Interconnection Facilities and Seller's Interconnection Facilities does not become effective on or prior to the later to occur of (i) December 31, 2027 (including any required regulatory approvals associated with that interconnection agreement) or (ii) the expiration of Seller's or Seller's affiliate's (or a Permitted Transferee's) PJM interconnection queue position in respect of which such interconnection rights are transferred or such later time after such expiration as the PJM tariff may allow for the purpose of transferring the associated capacity injection rights (but in no event later than December 31, 2029), Seller shall reimburse Purchaser for net costs (minus salvage) incurred by Purchaser to disconnect and remove the Purchaser's Interconnection Facilities in accordance with Purchaser's then current "Procedures for Billing Work Done at the Expense of Others."

The provisions of the PPA surviving the Closing under the Settlement Agreement, as provided herein, will terminate upon the sooner to occur of the cessation of coal-fired electric generation at the Facility, and [_____], 2022 (the "**Termination Date**"); provided, however, that Sections 9.4 and 9.11 of the PPA, each as restated above, shall survive the Termination Date. Seller shall inform Purchaser in writing promptly upon the cessation of coal-fired generation at the Facility. Upon the termination of the surviving provisions of the PPA, neither Purchaser nor Seller shall have any continuing obligations under the PPA other than as provided in Sections 9.4 and 9.11 of the PPA, provided that all actions, causes of action, choses in action, suits, debts, dues, sums of money, obligations, losses, compensation, attorneys' fees, liabilities, accounts, rights, contracts, controversies, agreements, promises, costs, damages, judgments, executions, claims, counterclaims and demands relating to the Surviving Provisions that are not resolved prior to the Termination Date and that constitute "Excepted Claims" (as such term is defined in the Settlement Agreement) will survive the Termination Date until the same are resolved.

Purchaser and Seller acknowledge that the Surviving Provisions for interconnection service in the PPA pertain to a service regulated by the Federal Energy Regulatory Commission (“**FERC**”) and Purchaser is required to file the Surviving Provisions with the FERC under section 205 of the Federal Power Act, 16 U.S.C. § 824d. To the extent the PPA is not accepted or approved as filed without condition, Purchaser and Seller agree to work in good faith to negotiate such additional amendments to the PPA or enter into a separate interconnection agreement as may be necessary to satisfy the FERC.

This letter agreement may not be changed, modified or amended, in whole or in part, except in writing, signed by Purchaser and Seller.

The interpretation of this letter agreement shall be governed by and construed in accordance with the internal laws of the State of New Jersey, regardless of the residence, domicile or principal place of business of either Purchaser or Seller.

This letter agreement may be executed in one or more counterparts, and each, any and all signatures, whether original or facsimile of the original, shall be deemed an original and all of which shall have full force and effect as if contained and present in the same letter agreement. The exchange of copies of this letter agreement and of signature pages by facsimile transmission, Portable Document Format (i.e., PDF), or by other electronic means shall constitute effective execution and delivery of this letter agreement as to Purchaser and Seller and may be used in lieu of the original letter agreement for all purposes.

Please indicate your agreement with the terms of this letter agreement by executing this letter agreement in the space indicated below.

[Signature Page Follows]

Very truly yours,

ATLANTIC CITY ELECTIC COMPANY

By: _____
Name:
Title:

ACCEPTED AND AGREED:

CHAMBERS COGENERATION LIMITED PARTNERSHIP

By: _____
Name:
Title:

EXHIBIT C

FORM OF MUTUAL RELEASE

MUTUAL RELEASE

This MUTUAL RELEASE (“**Mutual Release**”) is entered into as of [____], 2022 between Atlantic City Electric Company (“**ACE**”), a New Jersey corporation, and Chambers Cogeneration Limited Partnership, a Delaware limited partnership (“**Seller**”). ACE and Seller are sometimes referred to herein individually as a “**Party**” and jointly as the “**Parties**”. Capitalized terms used and not otherwise defined in this Mutual Release shall have the meanings ascribed to such terms in the Settlement Agreement (as defined below).

WHEREAS, ACE and Seller are parties to that certain Settlement Agreement dated as of [____], 2022 (the “**Settlement Agreement**”); and

WHEREAS, in the Settlement Agreement, the Parties agreed to release all Claims, other than Excepted Claims, that either party may have against the other Party at and as of the Closing; and

WHEREAS, the Closing under the Settlement Agreement is occurring on the date hereof;

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Release by Seller.** Seller hereby releases, waives, acquits and forever discharges ACE and each of its parent corporations, subsidiaries, affiliates, and all related corporations, partnerships, predecessors, successors, heirs and assigns and each of their past and present officers, directors, employees, agents and attorneys, heirs and assigns (collectively, the “**ACE Released Parties**”), of and from any and all manner of Claims, whether known or unknown, if any, which Seller and each of its respective past and present officers, directors, employees, agents, parent corporations, partners, subsidiaries, affiliates, and all related corporations, partnerships, predecessors, successors, heirs and assigns ever had, now has, claimed to have had, now claims to have, or hereafter can, shall, or may claim to have against the ACE Released Parties which relate to, arise out of, or are connected in any manner with, directly or indirectly, the Contracts; provided, however, that in no event are any Excepted Claims released or discharged by this Mutual Release.

2. **Release by ACE.** ACE hereby releases, waives, acquits and forever discharges Seller and each of its parent corporations, partners, subsidiaries, affiliates, and all related corporations, partnerships, predecessors, successors, heirs and assigns and each of their past and present officers, directors, employees, agents and attorneys, heirs and assigns (collectively, the “**Seller Released Parties**”), of and from any and all manner of Claims, whether known or unknown, if any, which ACE and each of its respective past and present officers, directors, employees, agents, parent corporations, partners, subsidiaries, affiliates, and all related corporations, partnerships, predecessors, successors, heirs and assigns ever had, now has, claimed to have had, now claims to have, or hereafter can, shall, or may claim to have against

the Seller Released Parties which relate to, arise out of, or are connected in any manner with, directly or indirectly, the Contracts; provided, however, that in no event are any Excepted Claims released or discharged by this Mutual Release.

3. **Unresolved Claims; No Other Claims.** Exhibit A hereto includes a list of all Unresolved Claims, as defined under the Settlement Agreement. Each of ACE and Seller represents and warrants that it has no unresolved Claims against the other Party related to, arising out of, or connected in any manner with, directly or indirectly, the Contracts, other than the Excepted Claims.

4. **No Admission of Liability.** Seller does not concede or admit liability of any kind to the ACE Released Parties and enters into this Mutual Release solely as a compromise of the Claims, other than the Excepted Claims, under the Settlement Agreement. ACE does not concede or admit liability of any kind to the Seller Released Parties and enters into this Mutual Release solely as a compromise of the Claims, other than the Excepted Claims, under the Settlement Agreement.

5. **No Reliance.** Each of the Parties acknowledges and agrees that: (a) no promise or inducement which is not set forth in the Settlement Agreement, the Letter Agreement, the Modified Agreement or this Mutual Release has been made to any other Party; and (b) in executing this Mutual Release and except as expressly set forth in, and without limitation upon or modification of, this Mutual Release, the Settlement Agreement, the Letter Agreement or the Modified Agreement or of either Party's rights under same (i) each Party does not rely upon any inducement, statement or representation, whether of fact, opinion or otherwise, made by any person, corporation, partnership, or other entity released in this Mutual Release, or any agent or any other person representing them, or any of them, concerning the matters set forth herein, (ii) each Party has had the opportunity and ability to investigate, or inquire about, the matters set forth in and relating to this Mutual Release, (iii) the facts relating to the matters set forth in this Mutual Release may be different than as believed as of the date of the execution hereof and (iv) each Party acknowledges and assumes all risk, chance or hazard that the such facts may be or become different than is now known, anticipated, or expected.

6. **Binding Effect of Agreement.** This Mutual Release and all of its terms and conditions shall extend to and be binding upon the Parties and upon their respective heirs, executors, administrators, successors and assigns. The Parties each further acknowledge, warrant, represent and agree that they have carefully read this Mutual Release and that the Parties are each signing this Mutual Release as a free act, advised by legal counsel of their own choosing of the meaning and import of this Mutual Release.

7. **Authority to Execute and Bind.** Each Party to this Mutual Release represents and warrants that it has the power and authority to enter into this Mutual Release and that no consent, approval, authorization or order of, and no notice to, or filing with any court, governmental authority, person, or entity is required for the execution, delivery, and performance of this Mutual Release.

8. **Interpretation.** Neither this Mutual Release nor any provision contained herein shall be interpreted for or against either Party solely because that Party or that Party's legal representative drafted the provision.

9. **Severability.** If any non-material provision of this Mutual Release is found by a court of competent jurisdiction to be invalid or unenforceable, then such provision shall be severed from this Mutual Release and the remainder will remain in full force and effect.

10. **Amendment.** This Mutual Release may not be changed, modified or amended, in whole or in part, except in writing, signed by all of the Parties.

11. **Headings.** The headings and captions in this Mutual Release are for convenience only and are not a part of this Mutual Release.

12. **Governing Law.** The interpretation of this Mutual Release shall be governed by and construed in accordance with the internal laws of the State of New Jersey, regardless of the residence, domicile or principal place of business of either Party executing this Mutual Release.

13. **Cooperation.** The Parties agree to execute and deliver any further documents or assurances that may be necessary or reasonably requested in connection with the consummation of this Mutual Release or in order to fully effectuate the purposes, terms, and conditions of this Mutual Release.

14. **Counterparts.** This Mutual Release may be executed in one or more counterparts, and each, any and all signatures, whether original or facsimile of the original, shall be deemed an original and all of which shall have full force and effect as if contained and present in the same Mutual Release. The exchange of copies of this Mutual Release and of signature pages by facsimile transmission, Portable Document Format (i.e., PDF), or by other electronic means shall constitute effective execution and delivery of this Mutual Release as to the Parties and may be used in lieu of the original Mutual Release for all purposes.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have caused this Mutual Release to be executed by their duly authorized representatives on the dates indicated below their respective signatures.

CHAMBERS COGENERATION
LIMITED PARTNERSHIP

ATLANTIC CITY ELECTRIC
COMPANY

BY: _____

Name:

Title:

BY: _____

Name:

Title:

Exhibit A to Mutual Release

UNRESOLVED CLAIMS

[to be added]

EXHIBIT D

PAYMENT SCHEDULE

Pymt	Date	Chambers		
		Customer Costs	Customer Benefits	Total Payment
1	Jan-22	\$2,133,126	(\$247,595)	\$1,885,530
2	Feb-22	\$2,577,971	(\$299,229)	\$2,278,741
3	Mar-22	\$5,671,706	(\$658,324)	\$5,013,382
4	Apr-22	\$4,776,456	(\$554,411)	\$4,222,045
5	May-22	\$4,777,536	(\$554,536)	\$4,223,000
6	Jun-22	\$5,099,111	(\$591,862)	\$4,507,249
7	Jul-22	\$4,574,921	(\$531,019)	\$4,043,903
8	Aug-22	\$4,603,802	(\$534,371)	\$4,069,431
9	Sep-22	\$5,149,600	(\$597,722)	\$4,551,877
10	Oct-22	\$4,585,043	(\$532,193)	\$4,052,849
11	Nov-22	\$5,078,700	(\$589,493)	\$4,489,207
12	Dec-22	\$4,644,391	(\$539,082)	\$4,105,309
13	Jan-23	\$2,877,577	(\$334,005)	\$2,543,572
14	Feb-23	\$3,741,749	(\$434,311)	\$3,307,438
15	Mar-23	\$6,459,325	(\$749,744)	\$5,709,580
16	Apr-23	\$5,091,623	(\$590,993)	\$4,500,630
17	May-23	\$5,119,679	(\$594,249)	\$4,525,429
18	Jun-23	\$4,909,455	(\$569,848)	\$4,339,607
19	Jul-23	\$4,548,507	(\$527,953)	\$4,020,555
20	Aug-23	\$4,606,965	(\$534,738)	\$4,072,227
21	Sep-23	\$4,972,972	(\$577,221)	\$4,395,751
22	Oct-23	\$4,418,551	(\$512,868)	\$3,905,682
23	Nov-23	\$4,908,487	(\$569,736)	\$4,338,751
24	Dec-23	\$4,629,392	(\$537,341)	\$4,092,051
25	Jan-24	\$3,288,951	(\$381,754)	\$2,907,197
26	Feb-24	\$3,913,745	(\$454,275)	\$3,459,471
27	Mar-24	\$3,862,174	(\$448,289)	\$3,413,885
28	Apr-24			
29	May-24			
30	Jun-24			
31	Jul-24			
32	Aug-24			
33	Sep-24			
34	Oct-24			
35	Nov-24			
36	Dec-24			
37	Total	\$121,021,515	(\$14,047,165)	\$106,974,350

EXHIBIT E

FORM OF CONSENT TO ASSIGNMENT

This **CONSENT AND AGREEMENT** (this “Consent”), dated as of [●], is entered into by and among Atlantic City Electric Company, a New Jersey corporation (the “Contracting Party”), [●], not in its individual capacity but solely in its capacity as collateral agent (in such capacity, together with its successors, designees and assigns in such capacity, the “Collateral Agent”) for the benefit of the Secured Parties (as defined below), and Chambers Cogeneration Limited Partnership, a Delaware limited partnership (the “Project Company”).

RECITALS

WHEREAS, the Contracting Party and the Project Company entered into that certain Settlement Agreement dated as of [●] (“Settlement Agreement”), and that certain Letter Agreement Regarding Continuation of Interconnection Rights and Obligations under Agreement for Purchase of Electric Power dated as of [●] (“Letter Agreement”), which Letter Agreement modifies certain terms of the Agreement for Purchase of Electric Power dated as of [●], 1988 between the Contracting Party and the Project Company, as amended to date (as so modified, the “Modified Agreement” and together with the Settlement Agreement and the Letter Agreement, each as amended, modified, supplemented or restated from time to time, as including all related agreements, instruments and documents, and collectively, the “Assigned Agreements”); and

WHEREAS, (i) the secured parties under the Financing Documents (the “Secured Parties”) have provided or have agreed to provide financing pursuant to one or more agreements (such agreements, the “Financing Documents”) to the Project Company, and (ii) the Project Company has collaterally assigned and granted to Collateral Agent, for the benefit of the Secured Parties, a security interest in all of its rights, title and interests in and under the Assigned Agreements;

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound, the parties hereto hereby agree, notwithstanding anything in the Assigned Agreements to the contrary, as follows:

ARTICLE 1

Assignment and Agreement

SECTION 1.01 Consent to Assignment. The Contracting Party hereby irrevocably consents to the pledge and assignment to the Collateral Agent for the benefit of the Secured Parties, and the grant to the Collateral Agent for the benefit of the Secured Parties, of a lien on and security interest in, all of the Project Company’s right, title and interest in, to and under the Assigned Agreements pursuant to the terms and conditions of the Financing Documents, as collateral security for all of the obligations of the Project Company secured or purported to be secured by the Financing Documents. The assignment of the Assigned Agreements shall not relieve the Project Company of any obligations arising under the Assigned Agreements referred to in the preceding sentence. In the event that the Collateral Agent or any of its designees or assignees elects to succeed to the Project Company’s interest under the Assigned Agreements, the Collateral

Agent or such designee or assignee may elect by written notice delivered to the Contracting Party and the Project Company to assume the Project Company's rights and obligations under the Assigned Agreements, including any payment obligations under the Assigned Agreements theretofore accrued but excluding any other obligations or liabilities that may have accrued prior to such foreclosure or assignment which are not capable of being cured (any right in respect of such excluded obligation being hereby expressly waived by the Contracting Party). Until such time as the Collateral Agent gives written notice as provided herein, the Contracting Party shall, except as otherwise provided in this Consent, continue to deal directly with the Project Company with respect to its obligations to the Project Company under the Assigned Agreements. Upon the exercise (as contemplated above) by the Collateral Agent (or any of its designees or assignees) of any of the remedies under the Financing Documents in respect of the Assigned Agreements, the Collateral Agent (or any of its designees or assignees) may assign its rights and interests and the rights and interests of the Project Company under the Assigned Agreements to any other entity if such entity shall assume liability for all of the obligations of the Project Company, including any payment obligations, under the Assigned Agreements theretofore accrued (but excluding any obligation to cure any then existing performance defaults, which by their nature are incapable of being cured).

SECTION 1.02 Right to Cure.

(a) In the event of any default by the Project Company in the performance of any of its obligations under either of the Assigned Agreements, or upon the occurrence or non-occurrence of any event or condition under any of the Assigned Agreements, which would immediately or with the passage of any applicable grace period or the giving of notice, or both, enable the Contracting Party to terminate or suspend its obligations under such Assigned Agreement, the Contracting Party shall (i) provide prompt written notice of such default, event or condition to the Collateral Agent and (ii) not terminate or suspend its obligations under such Assigned Agreement until it first gives the Collateral Agent the written notice referred to in clause (i) above and permits the Collateral Agent (or any of its designees or assignees) to cure the default within a period of 30 days for a payment default or 60 days for a default other than a payment default, in each case after the later of (A) notice of default having been given to the Collateral Agent by the Contracting Party and (B) the expiration of the applicable cure period provided in such Assigned Agreement for such entity to cure the applicable default; provided, however, if the Collateral Agent is diligently seeking to cure or foreclose but is prevented from doing so during the course of a bankruptcy or similar event of the Project Company, such cure period shall continue for a reasonable period of time until the Collateral Agent is permitted to cure or foreclose.

(b) In connection with any cure of a default under any of the Assigned Agreements or any assumption by the Collateral Agent (or any of its designees or assignees) of such entity's liabilities thereunder, only those obligations and liabilities arising expressly under the terms of such Assigned Agreement shall be required to be cured, and there shall be no obligation by the Collateral Agent, or any Secured Party (or any of their respective designees or assignees) to cure any non-contractual liability that may have arisen. No curing of any defaults under such Assigned Agreement shall be construed as an assumption by the Collateral Agent (or any of the Secured Parties) of any of the obligations, covenants or agreements of the Project Company under such Assigned Agreement.

SECTION 1.03 No Termination; No Amendment. The Contracting Party shall not, without the prior written consent of the Collateral Agent, (a) cancel, terminate or suspend performance under the Assigned Agreements or consent to or accept any cancellation, termination or suspension thereof, or its performance thereunder, unless such cancellation, termination or suspension is expressly provided for in the Assigned Agreements (but subject to Section 1.02) nor (b) materially amend, amend and restate, supplement, or otherwise modify the Assigned Agreements provided that, the consent of the Collateral Agent shall not be required if the Project Company is not required to obtain the consent of any Secured Parties for such amendment, amendment and restatement, supplement or other modification pursuant to the Financing Documents.

SECTION 1.04 Replacement Agreement. In the event that (a) any of the Assigned Agreements is rejected or terminated in any bankruptcy, insolvency or similar proceeding involving the Project Company, the Contracting Party or any other entity or (b) the assignment by way of security of the Assigned Agreements hereunder is ineffective or reasonably challenged; and if within 120 days after such rejection, termination, ineffectiveness or challenge the Collateral Agent (or any of its designees or assignees) shall so request and shall certify in writing to the Contracting Party that it or they intend to perform the obligations of the Project Company as and to the extent required under the Assigned Agreements (as if the Assigned Agreements had not been rejected or terminated, but otherwise only to the extent such obligations would be undertaken had such entity succeeded to the Project Company thereunder pursuant to Section 1.01), the Contracting Party shall execute and deliver to the Collateral Agent (or its designees or assignees) replacement contracts (the “Replacement Assigned Agreements”) for the balance of the remaining term under the original Assigned Agreements containing materially the same terms and provisions as the original Assigned Agreements (except for any requirements which have already been fulfilled by the Project Company and the Contracting Party or which are not required to be undertaken by such entity as aforesaid) and in such case, reference in this Consent to the “Assigned Agreements” shall be deemed also to refer to any such Replacement Assigned Agreements.

SECTION 1.05 Limitation on Liability.

The Contracting Party acknowledges and agrees that except as specifically provided in this Consent, neither the Collateral Agent nor any Secured Party (nor any of their respective designees or assignees) shall have any liability or obligation under the Assigned Agreements as a result of this Consent, the Financing Documents, or otherwise, nor shall the Collateral Agent be obligated or required to perform the Project Company’s obligations under the Assigned Agreements. In the event that (a) the Collateral Agent (or any of its respective designees or assignees) elects to succeed to the Project Company’s interest under the Assigned Agreements pursuant to Section 1.01 or (b) the Collateral Agent (or any of its designees or assignees) becomes a counterparty to a Replacement Assigned Agreements pursuant to Section 1.04, the sole recourse of the Contracting Party in seeking the enforcement of any obligations under this Consent, the Assigned Agreements or a Replacement Assigned Agreements shall be to such entity’s right, title and interest in the Power Plant (as described in the Settlement Agreement) and any related contractual or other rights previously held by the Project Company, and nothing contained in this Consent, the Financing Documents, the Assigned Agreements or otherwise shall require the Collateral Agent to advance or risk its own funds or otherwise incur financial liability.

It is hereby agreed and acknowledged that in no event shall the Contracting Party or any of its shareholders, equity holders, principals, affiliates, officers, directors, managers, agents, subcontractors, vendors or employees be liable, whether based in contract, in tort (including negligence and strict liability) or otherwise, for any special, exemplary, indirect, punitive, incidental or consequential loss or damage whatsoever, including without limitation any loss of energy and capacity revenues, loss of profit or anticipated revenues, cost of capital, loss of goodwill, and increased operating costs. Any liability of the Contracting Party hereunder shall be subject to all of the disclaimers, limitations of and protections against liability set forth in the Assigned Agreements. This Consent is not intended to obligate or expose Contracting Party to any liability beyond that expressly assumed by Contracting Party hereunder.

SECTION 1.06 Delivery of Notices. The Contracting Party shall deliver to the Collateral Agent, within five (5) days of the delivery thereof to the Project Company, a copy of each material notice, request or demand given by the Contracting Party pursuant to the Assigned Agreements.

SECTION 1.07 Payments. The Contracting Party shall pay all amounts payable by it to the Project Company under the Assigned Agreements in the manner and as and when required by the Assigned Agreements directly into the account specified on Exhibit A hereto, or to such other entity or account as shall be specified from time to time by the Collateral Agent to the Contracting Party in writing.

ARTICLE 2

Representations and Warranties

SECTION 2.01 Representations and Warranties of the Contracting Party. The Contracting Party hereby represents and warrants to the Collateral Agent and each of the Secured Parties (such representations and warranties being made as of the date of this Consent):

(a) The Contracting Party is a New Jersey corporation, duly organized and validly existing under the laws of the jurisdiction of its incorporation and is duly qualified to do business and is in good standing in all jurisdictions where necessary in light of the business it conducts and the property it owns and the business that it intends to conduct and the property that it intends to own in light of the transactions contemplated by the Assigned Agreements and this Consent.

(b) The Contracting Party (i) has the full power, authority and legal right to execute, deliver and perform its obligations under this Consent and the Assigned Agreements and such execution, delivery and performance have been duly authorized; (ii) has duly executed and delivered this Consent and the Assigned Agreements which constitute the legal, valid and binding obligations of the Contracting Party, enforceable against the Contracting Party in accordance with their respective terms, except as the enforceability thereof may be limited by (A) bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally and (B) general equitable principles (whether considered in a proceeding in equity or at law), and (iii) has obtained each governmental approval required for the execution, delivery or performance of this Consent and the Assigned Agreements. The execution, delivery and performance

by the Contracting Party of this Consent and the Assigned Agreements do not and will not result in a violation of (x) any law applicable to the Contracting Party (y) any provision of the governing documents of the Contracting Party or (z) any other agreement to which it is a party or by which it or its properties and assets are bound or affected, except, with respect to this clause (z), as could not reasonably be expected to result in a material adverse effect on its performance of the Assigned Agreements and this Consent.

(c) There is no action, suit or proceeding at law or in equity by or before any governmental authority, arbitral tribunal or other body now pending or, to the best knowledge of the Contracting Party, threatened against or affecting the Contracting Party or any of its properties, rights or assets which (i) if adversely determined, individually or in the aggregate, could reasonably be expected to have a material adverse effect on its ability to perform its obligations under the Assigned Agreements or this Consent or (ii) affects the validity, binding effect or enforceability of the Assigned Agreements or this Consent or any action taken or to be taken pursuant hereto or thereto or any of the transactions contemplated hereby or thereby.

(d) Neither the Contracting Party nor, to the best knowledge of the Contracting Party, the Project Company, is in default (nor will be in default after giving effect to the pledge and assignment referred to in Section 1.01) of any of their respective obligations under the Assigned Agreements and no event or condition exists which would either immediately or with the passage of any applicable grace period or giving of notice, or both, enable the Contracting Party, or, to the best knowledge of the Contracting Party, the Project Company, to terminate or suspend the Contracting Party's obligations under the Assigned Agreements. The Assigned Agreements are in full force and effect and the Contracting Party has not assigned any of its rights or delegated any of its duties under the Assigned Agreements.

(e) This Consent and the Assigned Agreements constitute and include all agreements entered into by the Contracting Party relating to, and required from the Contracting Party for the consummation of, the transactions contemplated by this Consent and the Assigned Agreements.

(f) Except as set forth on Exhibit C hereto, to the actual knowledge of the Contracting Party, the Contracting Party has no Excepted Claims (as defined in the Settlement Agreement) against the Project Company.

ARTICLE 3

Miscellaneous

SECTION 3.01 Term. This Consent shall terminate upon the earlier of (a) satisfaction of all the Project Company's obligations under, and the termination or expiration, as the case may be, of the Financing Documents, and (b) the termination of the Assigned Agreements in accordance with the terms thereof and the terms of this Consent.

SECTION 3.02 Amendments, Etc. No amendment or waiver of any provision of this Consent, and no consent to any departure herefrom, shall in any event be effective unless

the same shall be in writing and signed by each of the parties hereto, and any such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

SECTION 3.03 Notices. All notices and other communications provided for herein shall be in writing and shall be mailed by certified or registered mail, delivered by hand or overnight courier or sent by facsimile to the address, telecopier number, electronic mail address or telephone number specified in Exhibit B hereto or such other address, telecopier number, electronic mail address or telephone number as may be designated by a party in a written notice delivered to the other parties hereunder pursuant to this Section 3.03. Notices and other communications mailed by certified or registered mail or sent by hand or overnight courier service shall be deemed to have been given when received. Notices and other communications sent by facsimile during the recipient's normal business hours shall be deemed to have been given when sent (and, if sent after normal business hours, shall be deemed to have been given at the opening of business on the next business day).

SECTION 3.04 No Waiver; Cumulative Remedies. No failure to exercise, and no delay in exercising, on the part of the Collateral Agent or any Secured Party any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, are cumulative and not exclusive of any rights, remedies, powers or privileges provided by law.

SECTION 3.05 Successors and Assigns; Third Party Beneficiaries. The provisions of this Consent shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby; provided that neither the Project Company nor the Contracting Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Collateral Agent, and any other attempted assignment or transfer by either the Project Company or the Contracting Party shall be null and void. Nothing in this Consent shall be construed to confer upon any entity (other than the parties hereto and their respective successors and assigns permitted hereby) any legal or equitable right, remedy or claim under or by reason of this Consent; provided that the Secured Parties are intended third party beneficiaries of this Consent.

SECTION 3.06 Entire Agreement. This Consent, including any agreement, document or instrument attached hereto or referred to herein, constitutes the entire contract among the parties relating to the subject matter hereof and supersedes all previous agreements and understandings, oral and written, with respect thereto and the terms, conditions and provisions of this Consent shall prevail in the event of any conflict with any such agreement, document or instrument (including, without limitation, the Assigned Agreements).

SECTION 3.07 Severability. If any term or provision of this Consent is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Consent or invalidate or render unenforceable such term or provision in any other jurisdiction and the parties hereto shall negotiate in good faith to modify this Consent so as to effect the original intent of the parties as closely as possible.

SECTION 3.08 Governing Law; Waiver of Jury Trial; Jurisdiction.

THIS CONSENT AND ANY CLAIM, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS CONSENT AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW JERSEY. The parties hereto agree to waive absolutely, unconditionally and irrevocably any right to trial by jury in any action or proceeding arising out of or in connection with this Consent or for the enforcement of any rights hereunder. The parties hereto hereby irrevocably (a) submit to the exclusive jurisdiction of any New Jersey State or Federal court sitting in Newark, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Consent, (b) agree that all claims in respect of such action or proceeding may be heard and determined in such New Jersey State or Federal court, (c) waive, to the fullest extent you may effectively do so, the defense of an inconvenient forum to the maintenance of such action or proceeding, (d) consent to the service of any and all process in the manner provided for in Section 3.03 and agrees that nothing herein will affect the right of any party hereto to serve process in any other manner permitted by applicable law and (e) agree that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner permitted by law.

SECTION 3.09 Execution in Counterparts.

This Consent and any amendments, waivers, consents or supplements hereto may be executed in counterparts (and by different parties hereto in different counterparts), each shall constitute an original, but all when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Consent by facsimile or in electronic (i.e. "PDF" or "TIF") format shall be effective as delivery of a manually executed counterpart of this Consent.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto, by their officers duly authorized, intending to be legally bound, have caused this Consent to be duly executed and delivered as of the date first above written.

ATLANTIC CITY ELECTRIC COMPANY,
as Contracting Party

By: _____
Name:
Title:

CHAMBERS COGENERATION LIMITED
PARTNERSHIP,
as Project Company

By: _____
Name:
Title:

[____], not in its individual capacity but solely in its
capacity as Collateral Agent

By: _____
Name:
Title:

Exhibit A

Payment Instructions

Any and all amounts owed to the Project Company shall be paid to the following account:¹

Wire Instructions:

Bank: [●].
[]
SWIFT: []
ABA # []
Account # []
Account Name: []
Ref: []
FFC: []

ACH Instructions:

Bank: [●]
[]
SWIFT: []
ABA # []
Account # []
Account Name: []
Ref: []
FFC: []

¹ Insert account information for Revenue Account.

Exhibit B

Addresses

Contracting Party

Atlantic City Electric Company
c/o Pepco Holdings Inc.
Mailstop 88MK62
P.O. Box 231
Wilmington, DE 19899-0231
Attn: James B. Jacoby
Phone: (302) 429-3148
Email: James.Jacoby@exeloncorp.com

Project Company

Chambers Cogeneration Limited Partnership
c/o Starwood Energy Group
5 Greenwich Office Park
Greenwich, CT 06831
Attn: Asset Management
Phone: 203-422-7700
Email: energy.am@starwood.com

Collateral Agent

[_____]

Exhibit C

Excepted Claims

[to be completed]

EXHIBIT F

SELLER APPROVALS

1. Consent of Truist Bank, as Administrative Agent, under that certain Credit and Guaranty Agreement, dated as of January 19, 2018, by and among Seller's indirect parent entity, Excalibur Power Holdings, L.L.C., and the lenders thereunder ("Credit Agreement") and agreement to make such modifications to the Credit Agreement as may be necessary in connection therewith.
2. Consent of Bank of New York Mellon Trust Company, N.A., as Trustee (the "Trustee"), under that certain Indenture of Trust ("Indenture"), dated as of June 1, 2014, by and among Trustee and The Pollution Control Financing Authority of Salem County (the "Authority") for the Authority's Pollution Control Revenue Refunding Bonds (Chambers Project), Series 2014A, and agreement to waive any conditions or requirements under the Indenture as may be necessary in connection therewith.
3. Consent of the Authority under that certain Loan Agreement, dated as of June 1, 2014, between the Seller and the Authority and agreement to make such modifications to the Loan Agreement as may be necessary in connection therewith.
4. Consent of Bank of New York Mellon Trust Company, N.A., as Collateral Agent, ("Collateral Agent") under that certain Collateral Agency and Intercreditor Agreement ("Collateral Agreement"), dated as of June 1, 2014, by and among the Trustee, the Seller, the Authority, MUFG Bank, N.A. (as successor to Union Bank, N.A.), as Working Capital Provider, and Collateral Agent, including without limitation acceptance of substitution of the Settlement Agreement and Interconnection Letter Agreement as collateral, and agreement to make such modifications to the Collateral Agreement as may be necessary in connection therewith.
5. Consent of MUFG Bank, N.A., as the Administrative Agent, under that certain Senior Secured Revolving Credit Agreement dated, June 10, 2014, by and among Seller and the lenders thereunder ("Working Capital Facility") and agreement to make such modifications to the Working Capital Facility as may be necessary in connection therewith.
6. Consent from The Chemours Company FC, LLC ("Chemours") to terminate the electric supply and related obligations of Seller under that certain First Amended and Restated Steam and Electricity Purchase Contract, dated April 1, 1991, as amended, between Chemours and Seller.

EXHIBIT G

METERING, DISPATCH AND BIDDING SERVICES

FUNCTION CATEGORY	DETAILS OF FUNCTION	PROVIDED BY
OPERATIONS	1) 24 X 7 Hourly dispatch of Chambers & Logan	ACE Dispatch Team
	2) RT Hourly availability updates	ACE Dispatch Team
	3) PJM & EMERGENCY Response (i.e. All call, 100% spinning)	ACE Dispatch Team
	4) Monitoring Dispatch Lambda Signal	ACE Dispatch Team
	5) Telemetry	ACE Dispatch Team
	6) RT Edart Outage Reporting	ACE Dispatch Team
	*** <i>Dispatcher access required to HAZGEN accounts for Chambers & Logan to perform above functions</i>	
MARKETING	1) Daily DA Bidding of CCLP & Logan Units at the direction of Starwood	ACE Energy Acquisition Team
	2) Cost updating for fuel policy and pricing schedules at the direction of Starwood	ACE Energy Acquisition Team
	3) EDART Ticketing for Planned events & GO Surveys	ACE Energy Acquisition Team
	4) Monitor Metering	ACE Energy Acquisition Team
	5) PJM Hourly Power Meter Upload	ACE Energy Acquisition Team
	*** <i>Access required to HAZGEN Accounts to perform these functions</i>	

Exhibit J

Logan Settlement Agreement

Executed

SETTLEMENT AGREEMENT

between

ATLANTIC CITY ELECTRIC COMPANY

and

LOGAN GENERATING COMPANY, L.P.

This SETTLEMENT AGREEMENT (“**Settlement Agreement**”) is entered into as of January 25, 2022 (the “**Agreement Date**”) between Atlantic City Electric Company (“**ACE**”), a New Jersey corporation, and Logan Generating Company, L.P., a Delaware limited partnership (“**Seller**”). ACE and Seller are sometimes referred to herein individually as a “**Party**” and jointly as the “**Parties**.”

RECITALS

- A. ACE and Seller are parties to (i) that certain Agreement for Purchase of Electric Power, dated as of August 25, 1988, as amended pursuant to amendments dated as of November 22, 1988, December 19, 1988, November 3, 1989, March 28, 1990, January 24, 1991, April 5, 1991, September 24, 1991, February 6, 1992, June 9, 1993, and July 20, 1993, and as assigned to Seller by Keystone Cogeneration Systems, Inc. pursuant to that certain Assignment and Assumption Agreement (Power Purchase Agreement), dated April 1, 1992 (the “**PPA**”) and (ii) that certain Power Sales Agreement dated December 18, 2012, (the “**PSA**”) (collectively, together with any related agreements to which Seller and ACE are a party, the “**Contracts**”).
- B. Pursuant to the terms and conditions and subject to the conditions precedent, each as set forth herein, the Parties wish to terminate certain of their obligations under the Contracts, as described herein.

AGREEMENT

In consideration of the terms and conditions set forth in this Settlement Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Partial Termination of the Contracts.

- (a) Except as set forth in the Letter Agreement (defined below) and subject to the terms and conditions of this Settlement Agreement, each of the Contracts shall terminate effective as of 11:59 p.m. (the “**Closing Time**”) on the date on which all of the conditions specified in Section 6 below are satisfied or waived by the Parties or such later date as agreed to in writing by the Parties (the “**Closing**”). Except as set forth in the Letter Agreement, from and after the Closing Time, neither ACE nor Seller shall

- have any continuing obligations under the Contracts. For the avoidance of doubt, the Contracts shall remain in full force and effect until the occurrence of the Closing Time, and the Parties reserve all rights, remedies, claims, suits and demands related to the Contracts unless and until the Closing occurs. Without limiting the generality of the foregoing, Seller shall pay ACE for any PJM (as defined below) penalties incurred by ACE prior to the Closing Time associated with the Contracts and for which Seller is responsible under the Contracts.
- (b) From and after the Closing Time, the Parties' obligations with respect to the Contracts and the Power Plant shall be exclusively as set forth in this Settlement Agreement, the Letter Agreement, the Modified Agreement (defined below) and the Mutual Release. Without limiting the generality of the foregoing, ACE shall continue to pay Seller in accordance with the terms of the Contracts until the Closing Time; from and after the Closing Time, ACE's payment obligations shall be exclusively as set forth in this Settlement Agreement.
 - (c) In the event that either of the Parties terminates the PPA prior to the Closing Time pursuant to the terms thereof, this Settlement Agreement shall automatically terminate, and if such action occurs prior to BPU Approval (defined below), ACE shall rescind the Application (defined below) with respect to this Settlement Agreement.
 - (d) Regarding the generator deactivation request submitted by ACE to PJM in respect of the Power Plant, ACE shall take all necessary action prior to the Closing Time to extend the deactivation date as necessary to be consistent with the Parties' performance of their obligations and preservation of their rights under or pursuant to this Settlement Agreement, including such rights and obligations as accrue prior to, at or after Closing, and including, without limitation, that such deactivation not occur during the period in which the Seller is entitled to continue operating the Power Plant after the Closing. For the avoidance of doubt, all of ACE's obligations with respect to the PJM generator deactivation process for the Power Plant shall cease at Closing.

2. BPU Approval.

- (a) ACE shall prepare and prosecute an application, testimony, or other filing (collectively, the **"Application"**) (including, without limitation, filing responses to any requests from the New Jersey Board of Public Utilities (the **"BPU"**) as needed to obtain the BPU Approval, which Application shall be in form and substance acceptable to both Parties), except for those parts of the Application that ACE files as confidential, which Seller shall not have the right to review. ACE shall use commercially reasonable efforts to file the initial Application within thirty (30) days after the Agreement Date. Seller shall reasonably cooperate with ACE in preparing the Application and obtaining the BPU Approval; provided, however, except for responses to interrogatories and other requests from the BPU, the BPU staff or any party in the BPU Approval proceeding that Seller may reasonably determine are necessary to preserve its interests, Seller shall not file any pleading or take any other formal action in the associated proceedings with respect to the Application or the BPU Approval process without the consent of ACE, such consent not to be

unreasonably withheld, conditioned or delayed. Notwithstanding anything else herein to the contrary, each Party shall bear its own costs associated with seeking BPU Approval.

- (b) If the BPU issues an order approving this Settlement Agreement with conditions or modifications that alter (A) the commercial aspects or other terms and provisions of this Settlement Agreement (including any modifications to the Letter Agreement, the Modified Agreement or the Mutual Release) and/or (B) the requested relief contained in the Application, then the Parties may, but are not required to, renegotiate and amend this Settlement Agreement, as necessary, and then seek BPU Approval thereof; provided, however, that upon the issuance of a BPU order with conditions or modifications as described in this Section 2(b), either Party may terminate this Settlement Agreement upon delivery of Notice to the other Party, subject to Section 11(d) below.
- (c) For purposes of this Settlement Agreement, **“BPU Approval”** means a final and non-appealable order of the BPU, without conditions or modifications unacceptable to ACE or to Seller, which approves (i) this Settlement Agreement in its entirety, including payments to be made by ACE, (ii) assurance of cost recovery of all of ACE's costs of this Settlement Agreement from all benefiting customers and (iii) such other related matters as may be reasonably requested by ACE in its request to the BPU for BPU Approval. BPU Approval shall be deemed to have occurred on the earlier of (x) the date that a BPU decision containing such findings becomes final and non-appealable or (y) the date on which all of the parties with standing to appeal such a BPU decision enter into a settlement agreement accepting such a BPU decision (the **“BPU Approval Date”**).

3. Claims under the Contracts.

Between the Agreement Date and the Closing, each Party will deliver to the other Party a “Notice” (as hereinafter defined) of any and all actions, causes of action, choses in action, suits, debts, dues, sums of money, obligations, losses, compensation, attorneys’ fees, liabilities, accounts, rights, contracts, controversies, agreements, promises, costs, damages, judgments, executions, claims, counterclaims and demands whatsoever, whether in law, in equity or otherwise, (collectively, **“Claims”**) under or related to the Contracts or this Settlement Agreement of which such Party is or becomes aware on or after the Agreement Date and prior to the Closing (herein, the **“Disclosed Claims”**), which Notice shall be supplemented as necessary prior to the Closing; provided, however, that, for the avoidance of doubt, the Disclosed Claims shall not include (1) Claims arising after the Closing under the surviving provisions of the PPA, as set forth in the Letter Agreement (such surviving provisions of the PPA, the **“Modified Agreement”**), (2) the Final Payment and True-Up Payment (each defined below), and (3) Claims arising under this Settlement Agreement after the Closing. The Parties will use commercially reasonable efforts to resolve the Disclosed Claims prior to the Closing, although neither Party shall have any obligation to agree to any resolution of any Disclosed Claim prior to, at or after the Closing. Any Disclosed Claims not fully resolved prior to the Closing and the resolution of which is waived by the Parties (in

writing and with each Party's waiver being given or withheld in its sole discretion) for the purposes of satisfying the condition precedent at Section 5(i) of this Settlement Agreement are collectively referred to herein as "**Unresolved Claims.**" The Parties shall retain all of their rights and remedies with respect to the Unresolved Claims after the Closing.

4. 2023/24 Capacity Obligations.

- (a) ACE may, in its sole discretion, request from PJM Interconnection, L.L.C. ("**PJM**") a must-offer exception for the 2023/24 planning year BRA auction ("**the 23/24 Auction**").
- (b) Except in the event the Closing occurs prior to the 23/24 Auction, ACE shall offer the Power Plant's capacity into the PJM Capacity Market for the 2023/24 planning year, subject to Seller's obligations under Section 5(b).

5. Conditions Precedent to Closing.

The following conditions precedent shall be satisfied before the Closing can occur and the Parties are obligated to consummate the transactions contemplated by this Settlement Agreement, provided that either Party may waive any such condition in whole or in part and in its sole discretion as a condition precedent to its obligations at Closing:

- (a) *BPU Approval.* The BPU Approval Date shall have occurred;
- (b) *PJM Capacity Obligations.* Seller shall relieve ACE of all of its obligations in the PJM Capacity Market with respect to the Power Plant arising after the Closing by (i) either (x) becoming a PJM member and assuming ownership of the Power Plant in the PJM Market Settlement Reporting System or (y) contracting with a PJM member ("**Seller's Designee**") to assume ownership of the Power Plant in the PJM Market Settlement System and (ii) entering into Bilateral Transactions in the PJM Capacity Exchange to transfer both performance obligations and rights to the capacity from ACE to Seller or Seller's Designee, as applicable, and all of ACE's Reliability Pricing Model commitments associated with the Power Plant, as listed in Exhibit A, which Bilateral Transactions shall have been approved by PJM;
- (c) *Modified Agreement Approval.* The FERC shall have accepted the Modified Agreement and the Letter Agreement to the extent required under the Federal Power Act;
- (d) *Compliance with Settlement Agreement.* Each of the Parties shall have complied in all material respects with its obligations under this Settlement Agreement through the Closing Time; provided, however, that a Party shall be deemed to have waived this condition precedent insofar as it would otherwise apply to such Party's own failure to comply with its obligations under this Settlement Agreement;

- (e) *No Termination.* Neither Party shall have terminated any of the Contracts;
- (f) *Power Plant Operation.* The Power Plant shall not have suffered physical damage to the extent that the Power Plant would be unable to deliver any “Net Plant Output” (as defined in the PPA) as required under the PPA for more than one hundred twenty (120) consecutive days;
- (g) *Qualifying Facility.* The Power Plant shall have maintained its status as a qualifying facility meeting the criteria of a cogeneration facility as defined by FERC in Title 18, Code of Federal Regulations, §§ 292.201 through 292.207, as amended from time to time;
- (h) *Final Payments.* At least three (3) days prior to the Closing, (1) ACE shall provide Seller with an estimate of all amounts due from each of the Parties to each of the Parties under the Contracts and under this Settlement Agreement through the Closing Time (the “**Final Payments**”), which estimate shall be binding absent manifest error but subject to post-closing true-up as provided in Section 7 below (for the avoidance of doubt, the Final Payments shall only cover periods of time before the Closing Time) and (2) each of the Parties shall provide the other Party with wire instructions for the account to which any Final Payment should be made at the Closing; provided, however, that the Final Payments shall not include any amounts in respect of Excepted Claims;
- (i) *Resolution of Disclosed Claims.* The Parties shall have mutually agreed in writing to the resolution of all Disclosed Claims (other than those for which resolution has been waived for purposes of this condition precedent and thus deemed Unresolved Claims hereunder and described in the exhibit to the Mutual Release); and
- (j) *Regulatory Filings and Approvals.* All regulatory filings and approvals and the like required for the Closing, in accordance with the terms and conditions of this Settlement Agreement, shall have been made or obtained, and all applicable waiting periods expired. No Party shall be obligated to achieve Closing under this Settlement Agreement to the extent changes to this Settlement Agreement or its subject matter are required by any regulators.
- (k) *Metering, Dispatch and Bidding.* Seller and ACE shall enter into a mutually acceptable agreement providing for ACE to provide the services as set forth in Exhibit G attached hereto to Seller for up to three months after the Closing Time at cost, with overhead as applicable, for those services and providing that ACE will not in any event incur any liability under such agreement.
- (l) *Seller Approvals.* All notices, consents, approvals and other actions required for the Closing and arising pursuant to contractual obligations of or binding upon Seller, as set forth on Exhibit F (the “**Seller Approvals**”), in accordance with the terms and conditions of this Settlement Agreement, shall have been made or obtained, the status of which Seller will provide from time-to-time as reasonably requested by ACE.

6. Closing.

The Parties shall take the following actions at the Closing, in each case effective as of the Closing Time:

- (a) The Parties shall enter into the Letter Agreement Regarding Continuation of Interconnection Rights and Obligations under Agreement for Purchase of Electric Power in the form of Exhibit B hereto (the **“Letter Agreement”**);
- (b) The Parties shall enter into the Mutual Release in the form of Exhibit C hereto (the **“Mutual Release”**) releasing each other from any and all Claims under the Contracts or this Settlement Agreement other than (1) the Final Payment and True-Up Payment, (2) Claims arising under this Settlement Agreement after the Closing, (3) Claims arising under the Modified Agreement after the Closing and (4) Unresolved Claims (the claims described in clauses (1) through (4) are referred to as **“Excepted Claims”**); and
- (c) Each of the Parties shall have made its Final Payment, if any, to the other Party by wire transfer of immediately available funds.

If the Closing occurs, then all conditions precedent to the Closing set forth in Section 5 shall be deemed satisfied or waived, and in no event shall this Settlement Agreement be subject to rescission after the Closing. For the avoidance of doubt, Closing under this Settlement Agreement will not be contingent upon closing under the settlement agreement between ACE and Seller’s affiliate, Logan Generating Company, L.P.

7. True-Up of Final Payments.

- (a) Within sixty (60) days following the Closing, ACE shall prepare and deliver to Seller a schedule reconciling the Final Payment (which was based on estimates) against the actual amounts, other than those amounts associated with Excepted Claims, due to each of the Parties under the Contracts and under this Settlement Agreement through the Closing Time (the **“Reconciliation Schedule”**). Seller shall have ten (10) days from the receipt of the Reconciliation Schedule to review the Reconciliation Schedule. In connection with such review, ACE shall make available to Seller and its accountants the books and records and any working papers, calculations and other documents relating to the preparation of the Reconciliation Schedule. In the event Seller disagrees with any or all of the Reconciliation Schedule, the Parties will use commercially reasonable efforts to resolve that dispute through good faith negotiation between them. If such dispute cannot be resolved through good faith negotiations within thirty (30) days after Seller informs ACE that it disagrees with the Reconciliation Schedule, such dispute shall be resolved in accordance with Section 17 below.

- (b) The net amount due to Seller or ACE on the Reconciliation Schedule agreed to by ACE and Seller or determined after the final resolution of any dispute with respect thereto (the **“True-Up Payment”**) shall be paid to the Party owed such amount within five (5) days after such agreement or resolution by wire transfer of immediately available funds to an account identified by the Party receiving such payment at least three (3) days in advance of such payment being made.

8. Termination Payments.

During any period subsequent to the Closing Time in which Seller is in compliance in all material respects with its obligations under this Settlement Agreement, ACE shall pay Seller the monthly amounts set forth under the “Total Payment” column in Exhibit D hereto; provided that the amount due for the calendar month in which the Closing occurs shall be prorated based on the number of days in such month occurring following the Closing Time. For the number of days prior to the Closing in the calendar month in which the Closing occurs, ACE will pay Seller a prorated amount under the applicable terms of the existing PPA and PSA. The amounts payable by ACE under this Section 8 will be fixed and not subject to any sort of escalation or other adjustment. The Parties acknowledge that no payments shall be made by ACE to Seller under this Settlement Agreement for any time period occurring prior to the Closing Time. For avoidance of doubt, for all calendar months occurring prior to the calendar month in which the Closing occurs, ACE shall make payments only under the applicable terms of the existing PPA and PSA.

9. Power Plant Operations.

- (a) At all times, both before and after Closing, Seller shall bear all costs related to the ownership of the Power Plant, including, without limitation, operations, shutdown, termination of contracts related to plant operations or otherwise, and compliance with legal and regulatory obligations; provided, however, that the foregoing provisions of this sentence shall not be construed as relieving any party to the Contracts of their obligations thereunder that arise or accrue prior to the Closing.
- (b) Within three months after Closing, Seller shall permanently cease any coal-fired electric generation at its Power Plant and the associated real property and, thereafter on or before the end of such three-month period, Seller shall permanently cease the combustion of any coal at its Power Plant and the associated real property.
- (c) Subject to the Closing having occurred, Seller shall cause any future owners of the Power Plant or the associated real property not to combust coal at the Power Plant or the associated real property.
- (d) Seller further agrees that, notwithstanding any change in law following the Closing, it will not assert any rights Seller may have to require ACE to purchase the output of

the Power Plant or to pay a specified price therefor pursuant to the Public Utilities Regulatory Policy Act, as amended, and the regulations thereunder.

10. Financing Transactions.

In the event that Seller and/or its affiliates enter into one or more financing transactions in which their rights under this Settlement Agreement, the Modified Agreement and/or the Letter Agreement are security for such financing, then, if so requested by Seller, ACE shall enter into a consent to collateral assignment with the lenders or collateral agents in those transactions substantially in the form of Exhibit E hereto, as the same may be modified as reasonably agreed by such lenders or collateral agents, ACE and Seller.

11. Termination and Survival.

- (a) Unless terminated earlier pursuant to Section 2(b) above or Section 11(b) below, this Settlement Agreement shall terminate on the date on which the Parties have completed performance of all conditions and obligations set forth herein.
- (b) If Closing has not occurred by April 10, 2022, then this Settlement Agreement will automatically terminate with no further force and effect except as provided in Section 11(d) below and the applicable Contracts shall remain in full force and effect in accordance with their terms.
- (c) If the Closing does not occur and this Settlement Agreement is terminated, the Parties will take commercially reasonable efforts to unwind any transactions, processes and other actions taken in furtherance of this Settlement Agreement, including without limitation a withdrawal of the generator deactivation request submitted by ACE to PJM in respect of the Power Plant prior to the deactivation date stated therein.
- (d) Notwithstanding any provision of this Settlement Agreement to the contrary, Sections 4, 11(c), 17, 18 and 24 shall survive termination of this Settlement Agreement.

12. Setoff.

The transactions contemplated by this Settlement Agreement, Letter Agreement and the Modified Agreement are a single unified transaction. ACE shall be entitled, at its option and in its discretion, to withhold and set off any amounts owed by ACE to Seller under this Settlement Agreement against any undisputed payments and any other undisputed amounts owed by Seller to ACE under this Settlement Agreement or under the Modified Agreement.

13. No Partnership.

No provision of this Settlement Agreement shall be construed or represented as creating a partnership, trust, joint venture, agency, fiduciary or any similar relationship between the Parties. No Party is authorized to act on behalf of the other Party, and neither shall be considered the agent of the other.

14. Notices

Unless otherwise provided in this Settlement Agreement, any notice or request (“**Notice**”) shall be in writing to the address provided below and delivered by hand delivery, United States mail, overnight courier service, or electronic mail. Notice by electronic mail or hand delivery shall be effective at the close of business on the day received, if the entire document was received during business hours, and otherwise shall be effective at the close of business on the next business day after it was sent or personally delivered. Notice by overnight courier service shall be effective on the next business day after the postmarked date. Notice by United States mail shall be effective on the third (3rd) business day after it was sent. A Party may change its address by providing Notice of same to the other Party in accordance with this Section 14.

If to Seller:

Logan Generating Company, L.P.
c/o Starwood Energy Group
5 Greenwich Office Park
Greenwich, CT 06831
Attn: Asset Management
Phone: 203-422-7700
Email: energy.am@starwood.com

With a copy to:

Logan Generating Company, L.P.
c/o Starwood Energy Group
5 Greenwich Office Park
Greenwich, CT 06831
Attn: General Counsel
Phone: 203-422-7700
Email: energylegal@starwood.com

If to ACE:

Atlantic City Electric Company
c/o Pepco Holdings Inc.
Mailstop 88MK62
P.O. Box 231
Wilmington, DE 19899-0231
Attn: James B. Jacoby
Phone: (302) 429-3148
Email: James.Jacoby@exeloncorp.com

With a copy to:

Atlantic City Electric Company
150 W. State Street, Suite 5
Trenton, NJ 08608-11052
Attn: Phillip J. Passanante, Esq.
Phone: (302) 429-3105
Email: Philip.Passanante@pepcoholdings.com

15. Representations and Warranties.

Each of the Parties represents and warrants as follows:

- (a) It has read this Settlement Agreement and understands the contents hereof, and that it has made an investigation of the facts pertinent to this Settlement Agreement;
- (b) It has been represented by legal counsel of its own choice, or has had the opportunity to be represented, throughout all negotiations which preceded the

execution of this Settlement Agreement and has executed this document with the advice of such legal counsel;

- (c) It has been duly authorized to enter into this Settlement Agreement and all other documents required pursuant to this Settlement Agreement; and
- (a) It has the power and authority to perform all of the obligations required of it under this Settlement Agreement without obtaining any further consents or approvals from, or the taking of any other actions with respect to, any third parties, except as elsewhere provided herein.

16. Entire Agreement.

This Settlement Agreement, the Letter Agreement, the Modified Agreement and the Mutual Release are the entire agreement between the Parties regarding the subject matter contained herein. This Settlement Agreement supersedes, and its terms govern, all prior proposals, term sheets, agreements, or other communications between the Parties, oral or written, regarding the subject matter contained herein. This Settlement Agreement cannot be modified or amended unless done so in a writing signed by authorized representatives of the Parties.

17. Applicable Law, Dispute Resolution.

- (a) This Settlement Agreement and the rights and duties of the Parties hereunder shall be governed by and interpreted, construed and enforced in all respects in accordance with the laws of the State of New Jersey applicable to contracts entered into and to be performed wholly within the State of New Jersey, without regard to principles of conflicts of law.
- (b) Except as expressly provided herein, if any dispute, controversy or claim between the Parties shall arise in connection with this Settlement Agreement, the Letter Agreement, the Modified Agreement or the Mutual Release, either party may seek to resolve such dispute, controversy or claim in the state or federal courts in the state of New Jersey, and the Parties irrevocably submit to the exclusive jurisdiction of any New Jersey state or federal court over any suit, action or proceeding arising out of or relating to this Settlement Agreement, the Letter Agreement, the Modified Agreement or the Mutual Release. To the fullest extent permitted by applicable law, the Parties irrevocably waive and agree not to assert, by way of motion, as a defense or otherwise, any claim that it is not subject to the jurisdiction of any such court, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding brought in any such court and any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.
- (c) THE PARTIES HEREBY WAIVE TRIAL BY JURY IN ANY ACTION BROUGHT ON OR WITH RESPECT TO THIS SETTLEMENT AGREEMENT, THE LETTER AGREEMENT OR THE MUTUAL RELEASE.

18. Limitation of Liability.

Neither Party, nor any of their respective partners or their affiliates nor any of their officers, directors, agents, subcontractors, vendors or employees shall be liable to the other for any incidental, consequential, punitive or other special damages, including but not limited to, lost profits, for nonperformance of its and/or their obligations hereunder.

19. Counterparts.

Each of this Settlement Agreement, the Letter Agreement and the Mutual Release may be executed in one or more counterparts, each of which will be deemed to be an original of the applicable agreement or instrument and all of which, when taken together, will be deemed to constitute one and the same agreement or instrument, as applicable. The exchange of copies of this Settlement Agreement, the Letter Agreement and the Mutual Release and of signature pages by facsimile transmission, Portable Document Format (i.e., PDF), or by other electronic means shall constitute effective execution and delivery of the applicable agreement or instrument as to the Parties and may be used in lieu of the original applicable agreement or instrument for all purposes.

20. Successors.

This Settlement Agreement is binding on and inures to the benefit of and is enforceable by the Parties and their respective successors.

21. Construction.

This Settlement Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and cannot be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof. Furthermore, the headings used herein are for convenience and reference purposes only.

22. Time is of the Essence.

The Parties agree that time is of the essence with respect to the Closing pursuant to this Settlement Agreement.

23. Further Assurances.

Each Party shall and shall cause each Party's successors and permitted assigns, from time to time at the request and sole expense of the other Party, furnish the other such Party such further information or assurances; execute and deliver such additional documents, instruments, and conveyances; and take such other actions and do such other things, as may be reasonably necessary to carry out the provisions of this Settlement Agreement and give effect to the transactions contemplated hereby.

24. No Admission.

The termination of the Contracts at Closing contemplated by this Settlement Agreement is a voluntary termination of the Contracts and is not the result of a breach or the occurrence of an event of default by either Party under the Contracts. The Termination Payments are not in lieu of damages for breach of or the occurrence of an event of default under the Contracts, but represent the value to both Parties of terminating the Contracts earlier than scheduled. This Settlement Agreement shall not constitute, and no action taken pursuant to this Settlement Agreement shall constitute, an admission of liability, responsibility or fault, or an admission of any fact concerning the Contracts by any party thereto.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have caused this Settlement Agreement to be executed by their duly authorized representatives on the dates indicated below their respective signatures.

LOGAN GENERATING COMPANY, L.P.

By: 

Name: Himanshu Saxena

Title: CEO

ATLANTIC CITY ELECTRIC
COMPANY

By: _____

Name: J. Tyler Anthony

Title: President and CEO


Pepco Holdings Inc.

IN WITNESS WHEREOF, the Parties hereto have caused this Settlement Agreement to be executed by their duly authorized representatives on the dates indicated below their respective signatures.

LOGAN GENERATING COMPANY, L.P.

By: _____
Name:
Title:

ATLANTIC CITY ELECTRIC
COMPANY

By:  _____
Name: J. Tyler Anthony
Title: President and CEO
Pepco Holdings Inc.

Digitally signed by John Anthony
DN: cn=John Anthony, o=Pepco Holdings Inc.,
ou, email=j.tyleranthony@pepcoholdings.com,
c=US
Date: 2022.01.25 09:01:09 -05'00'

EXHIBIT A

**RPM COMMITMENTS TO BE TRANSFERRED TO
SELLER OR SELLER'S DESIGNEE**

Year*	PPA	PSA	Total
2022/23	203.00	13.40	216.4 MW UCAP
2021/22	203.00	14.10	217.1 MW UCAP

* To include any additional RPM commitments for the 2023/24 planning year pursuant to Section 4(b) of the Settlement Agreement

EXHIBIT B

FORM OF LETTER AGREEMENT

[ATLANTIC CITY ELECTRIC COMPANY LETTERHEAD]

[_____], 2022

Logan Generating Company, L.P.
76 South Route 130
Swedesboro, NJ 08085-4525

Re: Continuation of Interconnection Rights and Obligations under Agreement for
Purchase of Electric Power

Ladies and Gentlemen:

Reference is made to:

- (1) That certain Agreement for Purchase of Electric Power, dated as of August 25, 1988, between Atlantic City Electric Company (“**Purchaser**”) and Logan Generating Company, L.P. (“**Seller**”) as amended pursuant to amendments dated as of November 22, 1988, December 19, 1988, November 3, 1989, March 28, 1990, January 24, 1991, April 5, 1991, September 24, 1991, February 6, 1992, June 9, 1993 and July 20, 1993 and as assigned to Seller Keystone Cogeneration Systems, Inc. pursuant to that certain Assignment and Assumption Agreement (Power Purchase Agreement), dated April 1, 1992 (the “**PPA**”); and
- (2) that certain Settlement Agreement dated as of January [___], 2022 between Purchaser and Seller (the “**Settlement Agreement**”).

Pursuant to the terms of the Settlement Agreement, effective as of 11:59 p.m. on the date hereof, Purchaser and Seller are terminating their obligations to purchase and sell the Net Plant Output and capacity from the Facility, and except as described below, all other obligations under the PPA, provided that Seller and Purchaser wish to continue the effectiveness of the PPA’s provisions related to interconnection of the Facility until such time as Seller ceases coal-fired electric generation at the Facility as provided in Section 9(b) of the Settlement Agreement. For the avoidance of doubt, Purchaser and Seller each acknowledges that (a) following cessation of coal-fired electric generation at the Facility, nothing in this letter agreement expands, restricts or modifies the rights Seller may have under the PPA or the PJM Open Access Transmission Tariff (“**OATT**”) to assign the PPA or the interconnection queue position held by Seller in PJM and (b) Purchaser is not making any representation as to Seller’s rights to retain any interconnection capacity at the point of interconnection or maintain its interconnection queue position other than as expressly provided in the PPA, as modified by this letter agreement or the PJM OATT.

In furtherance thereof, Purchaser and Seller agree that the following provisions of the PPA (the **“Surviving Provisions”**) shall survive the Closing under the Settlement Agreement and shall survive until the Termination Date (defined below); provided however that each of the Surviving Provisions shall only continue in effect to the extent it impacts Purchaser’s and Seller’s rights and obligations as they relate to Purchaser’s Interconnection Facilities and Seller’s Interconnection Facilities:

Section 1.1.	Definitions of “Indirect Costs,” “Point(s) of Delivery,” “PJM Interconnection” or “PJM,” “Purchaser’s Interconnection Facilities,” “Scheduled Maintenance,” “Seller’s Facility” or “Facility,” “Seller’s Interconnection Facilities,” “System Control Center”
Section 8.1	Point of Delivery
Article 9	Interconnection
Section 10.3	Plans and Specifications
Section 10.4	Operating Standards
Section 11.2	Inspections and Tests
Section 11.3	Easements
Section 12.1	Limitation of Liability
Section 12.2	Indemnification
Article 14	Insurance
Article 15	Force Majeure
Article 16	Governmental Authority
Article 18	Miscellaneous
Exhibit C	Technical Guidelines for Cogenerators and Small Power Producers
Exhibit D	Drawing Showing Interconnection and Point of Delivery
Exhibit F	Technical Guidelines for Customer Service at Sub-Transmission and Transmission Voltages

Purchaser and Seller further agree that, in order to facilitate the agreements set forth herein, Sections 9.4 and 9.11 of the PPA are amended as follows:

- a. Section 9.4 of the PPA is deleted and replaced in its entirety as follows:

9.4 Operation and Maintenance of Interconnection. All reasonable maintenance and other direct and Indirect Costs of maintenance associated with the Purchaser's Interconnection Facilities, in each case first arising after the Closing, shall be borne by Seller until the earlier of (a) the effective date of an interconnection agreement among Seller (including Seller's affiliate or the transferee of Seller's interconnection rights permitted under this Agreement or the PJM Interconnection, L.L.C. tariff, as applicable (a "Permitted Transferee")), Purchaser and PJM Interconnection, L.L.C. with respect to Purchaser's Interconnection Facilities and Seller's Interconnection Facilities (including any required regulatory approvals associated with that interconnection agreement) or (b) the later to occur of (i) December 31, 2027, or (ii) the expiration of Seller's or Seller's affiliate's (or a Permitted Transferee's) PJM interconnection queue position in respect of the interconnection rights associated with Purchaser's Interconnection Facilities or such later time after such expiration as the PJM tariff may allow for the purpose of transferring the associated capacity injection rights (but in no event later than December 31, 2029).

b. Section 9.11 of the PPA is deleted and replaced in its entirety as follows:

9.11 Removal of Interconnection. In the event that an interconnection agreement among Seller (including Seller's affiliate or a Permitted Transferee), Purchaser and PJM Interconnection, L.L.C. with respect to Purchaser's Interconnection Facilities and Seller's Interconnection Facilities does not become effective on or prior to the later to occur of (i) December 31, 2027 (including any required regulatory approvals associated with that interconnection agreement)) or (ii) the expiration of Seller's or Seller's affiliate's (or a Permitted Transferee's) PJM interconnection queue position in respect of which such interconnection rights are transferred or such later time after such expiration as the PJM tariff may allow for the purpose of transferring the associated capacity injection rights (but in no event later than December 31, 2029), Seller shall reimburse Purchaser for net costs (minus salvage) incurred by Purchaser to disconnect and remove the Purchaser's Interconnection Facilities in accordance with Purchaser's then current "Procedures for Billing Work Done at the Expense of Others."

The provisions of the PPA surviving the Closing under the Settlement Agreement, as provided herein, will terminate upon the sooner to occur of the cessation of coal-fired electric generation at the Facility and [_____], 2022 (the "**Termination Date**"); provided, however, that Sections 9.4 and 9.11 of the PPA, each as restated above, shall survive the Termination Date. Seller shall inform Purchaser in writing promptly upon the cessation of coal-fired generation at the Facility. Upon the termination of the surviving provisions of the PPA, neither Purchaser nor Seller shall have any continuing obligations under the PPA other than as provided in Sections 9.4 and 9.11 of the PPA, provided that all actions, causes of action, choses in action, suits, debts, dues, sums of money, obligations, losses, compensation, attorneys' fees, liabilities, accounts, rights, contracts, controversies, agreements, promises, costs, damages, judgments, executions, claims, counterclaims and demands relating to the Surviving Provisions that are not resolved prior to the Termination Date and that constitute "Excepted Claims" (as such term is defined in the Settlement Agreement) will survive the Termination Date until the same are resolved.

Purchaser and Seller acknowledge that the Surviving Provisions for interconnection service in the PPA pertain to a service regulated by the Federal Energy Regulatory Commission (“**FERC**”) and Purchaser is required to file the Surviving Provisions with the FERC under section 205 of the Federal Power Act, 16 U.S.C. § 824d. To the extent the PPA is not accepted or approved as filed without condition, Purchaser and Seller agree to work in good faith to negotiate such additional amendments to the PPA or enter into a separate interconnection agreement as may be necessary to satisfy the FERC.

This letter agreement may not be changed, modified or amended, in whole or in part, except in writing, signed by Purchaser and Seller.

The interpretation of this letter agreement shall be governed by and construed in accordance with the internal laws of the State of New Jersey, regardless of the residence, domicile or principal place of business of either Purchaser or Seller.

This letter agreement may be executed in one or more counterparts, and each, any and all signatures, whether original or facsimile of the original, shall be deemed an original and all of which shall have full force and effect as if contained and present in the same letter agreement. The exchange of copies of this letter agreement and of signature pages by facsimile transmission, Portable Document Format (i.e., PDF), or by other electronic means shall constitute effective execution and delivery of this letter agreement as to Purchaser and Seller and may be used in lieu of the original letter agreement for all purposes.

Please indicate your agreement with the terms of his letter agreement by executing this letter agreement in the space indicated below.

[Signature Page Follows]

Very truly yours,

ATLANTIC CITY ELECTIC COMPANY

By:
Name:
Title:

ACCEPTED AND AGREED:

LOGAN GENERATING COMPANY, L.P.

By:
Name:
Title:

EXHIBIT C

FORM OF MUTUAL RELEASE

MUTUAL RELEASE

This MUTUAL RELEASE (“**Mutual Release**”) is entered into as of [____], 2022 between Atlantic City Electric Company (“**ACE**”), a New Jersey corporation, and Logan Generating Company, L.P., a Delaware limited partnership (“**Seller**”). ACE and Seller are sometimes referred to herein individually as a “**Party**” and jointly as the “**Parties**”. Capitalized terms used and not otherwise defined in this Mutual Release shall have the meanings ascribed to such terms in the Settlement Agreement (as defined below).

WHEREAS, ACE and Seller are parties to that certain Settlement Agreement dated as of [____], 2022 (the “**Settlement Agreement**”); and

WHEREAS, in the Settlement Agreement, the Parties agreed to release all Claims, other than Excepted Claims, that either party may have against the other Party at and as of the Closing; and

WHEREAS, the Closing under the Settlement Agreement is occurring on the date hereof;

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Release by Seller.** Seller hereby releases, waives, acquits and forever discharges ACE and each of its parent corporations, subsidiaries, affiliates, and all related corporations, partnerships, predecessors, successors, heirs and assigns and each of their past and present officers, directors, employees, agents and attorneys, heirs and assigns (collectively, the “**ACE Released Parties**”), of and from any and all manner of Claims, whether known or unknown, if any, which Seller and each of its respective past and present officers, directors, employees, agents, parent corporations, partners, subsidiaries, affiliates, and all related corporations, partnerships, predecessors, successors, heirs and assigns ever had, now has, claimed to have had, now claims to have, or hereafter can, shall, or may claim to have against the ACE Released Parties which relate to, arise out of, or are connected in any manner with, directly or indirectly, the Contracts; provided, however, that in no event are any Excepted Claims released or discharged by this Mutual Release.

2. **Release by ACE.** ACE hereby releases, waives, acquits and forever discharges Seller and each of its parent corporations, partners, subsidiaries, affiliates, and all related corporations, partnerships, predecessors, successors, heirs and assigns and each of their past and present officers, directors, employees, agents and attorneys, heirs and assigns (collectively, the “**Seller Released Parties**”), of and from any and all manner of Claims, whether known or unknown, if any, which ACE and each of its respective past and present officers, directors, employees, agents, parent corporations, partners, subsidiaries, affiliates, and all related corporations, partnerships, predecessors, successors, heirs and assigns ever had, now has, claimed to have had, now claims to have, or hereafter can, shall, or may claim to have against

the Seller Released Parties which relate to, arise out of, or are connected in any manner with, directly or indirectly, the Contracts; provided, however, that in no event are any Excepted Claims released or discharged by this Mutual Release.

3. **Unresolved Claims; No Other Claims.** Exhibit A hereto includes a list of all Unresolved Claims, as defined under the Settlement Agreement. Each of ACE and Seller represents and warrants that it has no unresolved Claims against the other Party related to, arising out of, or connected in any manner with, directly or indirectly, the Contracts, other than the Excepted Claims.

4. **No Admission of Liability.** Seller does not concede or admit liability of any kind to the ACE Released Parties and enters into this Mutual Release solely as a compromise of the Claims, other than the Excepted Claims, under the Settlement Agreement. ACE does not concede or admit liability of any kind to the Seller Released Parties and enters into this Mutual Release solely as a compromise of the Claims, other than the Excepted Claims, under the Settlement Agreement.

5. **No Reliance.** Each of the Parties acknowledges and agrees that: (a) no promise or inducement which is not set forth in the Settlement Agreement, the Letter Agreement, the Modified Agreement or this Mutual Release has been made to any other Party; and (b) in executing this Mutual Release and except as expressly set forth in, and without limitation upon or modification of, this Mutual Release, the Settlement Agreement, the Letter Agreement or the Modified Agreement or of either Party's rights under same (i) each Party does not rely upon any inducement, statement or representation, whether of fact, opinion or otherwise, made by any person, corporation, partnership, or other entity released in this Mutual Release, or any agent or any other person representing them, or any of them, concerning the matters set forth herein, (ii) each Party has had the opportunity and ability to investigate, or inquire about, the matters set forth in and relating to this Mutual Release, (iii) the facts relating to the matters set forth in this Mutual Release may be different than as believed as of the date of the execution hereof and (iv) each Party acknowledges and assumes all risk, chance or hazard that the such facts may be or become different than is now known, anticipated, or expected.

6. **Binding Effect of Agreement.** This Mutual Release and all of its terms and conditions shall extend to and be binding upon the Parties and upon their respective heirs, executors, administrators, successors and assigns. The Parties each further acknowledge, warrant, represent and agree that they have carefully read this Mutual Release and that the Parties are each signing this Mutual Release as a free act, advised by legal counsel of their own choosing of the meaning and import of this Mutual Release.

7. **Authority to Execute and Bind.** Each Party to this Mutual Release represents and warrants that it has the power and authority to enter into this Mutual Release and that no consent, approval, authorization or order of, and no notice to, or filing with any court, governmental authority, person, or entity is required for the execution, delivery, and performance of this Mutual Release.

8. **Interpretation.** Neither this Mutual Release nor any provision contained herein shall be interpreted for or against either Party solely because that Party or that Party's legal representative drafted the provision.

9. **Severability.** If any non-material provision of this Mutual Release is found by a court of competent jurisdiction to be invalid or unenforceable, then such provision shall be severed from this Mutual Release and the remainder will remain in full force and effect.

10. **Amendment.** This Mutual Release may not be changed, modified or amended, in whole or in part, except in writing, signed by all of the Parties.

11. **Headings.** The headings and captions in this Mutual Release are for convenience only and are not a part of this Mutual Release.

12. **Governing Law.** The interpretation of this Mutual Release shall be governed by and construed in accordance with the internal laws of the State of New Jersey, regardless of the residence, domicile or principal place of business of either Party executing this Mutual Release.

13. **Cooperation.** The Parties agree to execute and deliver any further documents or assurances that may be necessary or reasonably requested in connection with the consummation of this Mutual Release or in order to fully effectuate the purposes, terms, and conditions of this Mutual Release.

14. **Counterparts.** This Mutual Release may be executed in one or more counterparts, and each, any and all signatures, whether original or facsimile of the original, shall be deemed an original and all of which shall have full force and effect as if contained and present in the same Mutual Release. The exchange of copies of this Mutual Release and of signature pages by facsimile transmission, Portable Document Format (i.e., PDF), or by other electronic means shall constitute effective execution and delivery of this Mutual Release as to the Parties and may be used in lieu of the original Mutual Release for all purposes.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have caused this Mutual Release to be executed by their duly authorized representatives on the dates indicated below their respective signatures.

LOGAN GENERATING COMPANY, L.P.

ATLANTIC CITY ELECTRIC
COMPANY

BY: _____

Name: _____

Title: _____

BY: _____

Name: _____

Title: _____

Exhibit A to Mutual Release

UNRESOLVED CLAIMS

[to be added]

EXHIBIT D

PAYMENT SCHEDULE

Pymt	Date	Logan		
		Customer Costs	Customer Benefits	Total Payment
1	Jan-22	\$2,719,561	(\$315,664)	\$2,403,897
2	Feb-22	\$3,513,522	(\$407,820)	\$3,105,702
3	Mar-22	\$4,357,405	(\$505,771)	\$3,851,634
4	Apr-22	\$3,969,176	(\$460,709)	\$3,508,467
5	May-22	\$4,009,825	(\$465,427)	\$3,544,398
6	Jun-22	\$4,292,063	(\$498,187)	\$3,793,876
7	Jul-22	\$3,893,815	(\$451,961)	\$3,441,854
8	Aug-22	\$4,034,349	(\$468,274)	\$3,566,076
9	Sep-22	\$4,338,534	(\$503,581)	\$3,834,953
10	Oct-22	\$3,158,268	(\$366,585)	\$2,791,683
11	Nov-22	\$4,250,510	(\$493,364)	\$3,757,146
12	Dec-22	\$3,745,650	(\$434,764)	\$3,310,887
13	Jan-23	\$2,288,777	(\$265,662)	\$2,023,115
14	Feb-23	\$3,192,802	(\$370,594)	\$2,822,208
15	Mar-23	\$3,957,090	(\$459,306)	\$3,497,784
16	Apr-23	\$4,330,575	(\$502,657)	\$3,827,918
17	May-23	\$4,370,109	(\$507,246)	\$3,862,863
18	Jun-23	\$4,134,707	(\$479,922)	\$3,654,785
19	Jul-23	\$3,803,077	(\$441,429)	\$3,361,648
20	Aug-23	\$3,929,289	(\$456,079)	\$3,473,210
21	Sep-23	\$4,233,169	(\$491,351)	\$3,741,818
22	Oct-23	\$3,440,715	(\$399,369)	\$3,041,346
23	Nov-23	\$4,194,038	(\$486,809)	\$3,707,230
24	Dec-23	\$3,830,041	(\$444,559)	\$3,385,482
25	Jan-24	\$2,630,383	(\$305,313)	\$2,325,070
26	Feb-24	\$3,339,600	(\$387,633)	\$2,951,967
27	Mar-24	\$3,890,365	(\$451,561)	\$3,438,804
28	Apr-24	\$4,229,414	(\$490,915)	\$3,738,499
29	May-24	\$4,290,649	(\$498,023)	\$3,792,627
30	Jun-24	\$4,094,982	(\$475,311)	\$3,619,671
31	Jul-24	\$3,548,383	(\$411,867)	\$3,136,516
32	Aug-24	\$3,929,209	(\$456,070)	\$3,473,140
33	Sep-24	\$4,151,581	(\$481,881)	\$3,669,700
34	Oct-24	\$3,426,782	(\$397,752)	\$3,029,030
35	Nov-24	\$4,126,383	(\$478,956)	\$3,647,427
36	Dec-24	\$3,794,774	(\$440,466)	\$3,354,308
37	Total	\$137,439,572	(\$15,952,835)	\$121,486,736

EXHIBIT E

FORM OF CONSENT TO ASSIGNMENT

This **CONSENT AND AGREEMENT** (this “Consent”), dated as of [●], is entered into by and among Atlantic City Electric Company, a New Jersey corporation (the “Contracting Party”), [●], not in its individual capacity but solely in its capacity as collateral agent (in such capacity, together with its successors, designees and assigns in such capacity, the “Collateral Agent”) for the benefit of the Secured Parties (as defined below), and Logan Generating Company, L.P., a Delaware limited partnership (the “Project Company”).

RECITALS

WHEREAS, the Contracting Party and the Project Company entered into that certain Settlement Agreement dated as of [●] (“Settlement Agreement”), and that certain Letter Agreement Regarding Continuation of Interconnection Rights and Obligations under Agreement for Purchase of Electric Power dated as of [●] (“Letter Agreement”), which Letter Agreement modifies certain terms of the Agreement for Purchase of Electric Power dated as of [●], 1988 between the Contracting Party and the Project Company, as amended to date (as so modified, the “Modified Agreement” and together with the Settlement Agreement and the Letter Agreement, each as amended, modified, supplemented or restated from time to time, as including all related agreements, instruments and documents, and collectively, the “Assigned Agreements”); and

WHEREAS, (i) the secured parties under the Financing Documents (the “Secured Parties”) have provided or have agreed to provide financing pursuant to one or more agreements (such agreements, the “Financing Documents”) to the Project Company, and (ii) the Project Company has collaterally assigned and granted to Collateral Agent, for the benefit of the Secured Parties, a security interest in all of its rights, title and interests in and under the Assigned Agreements;

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound, the parties hereto hereby agree, notwithstanding anything in the Assigned Agreements to the contrary, as follows:

ARTICLE 1

Assignment and Agreement

SECTION 1.01 Consent to Assignment. The Contracting Party hereby irrevocably consents to the pledge and assignment to the Collateral Agent for the benefit of the Secured Parties, and the grant to the Collateral Agent for the benefit of the Secured Parties, of a lien on and security interest in, all of the Project Company’s right, title and interest in, to and under the Assigned Agreements pursuant to the terms and conditions of the Financing Documents, as collateral security for all of the obligations of the Project Company secured or purported to be secured by the Financing Documents. The assignment of the Assigned Agreements shall not relieve the Project Company of any obligations arising under the Assigned Agreements referred to in the preceding sentence. In the event that the Collateral Agent or any of its designees or assignees elects to succeed to the Project Company’s interest under the Assigned Agreements, the Collateral

Agent or such designee or assignee may elect by written notice delivered to the Contracting Party and the Project Company to assume the Project Company's rights and obligations under the Assigned Agreements, including any payment obligations under the Assigned Agreements theretofore accrued but excluding any other obligations or liabilities that may have accrued prior to such foreclosure or assignment which are not capable of being cured (any right in respect of such excluded obligation being hereby expressly waived by the Contracting Party). Until such time as the Collateral Agent gives written notice as provided herein, the Contracting Party shall, except as otherwise provided in this Consent, continue to deal directly with the Project Company with respect to its obligations to the Project Company under the Assigned Agreements. Upon the exercise (as contemplated above) by the Collateral Agent (or any of its designees or assignees) of any of the remedies under the Financing Documents in respect of the Assigned Agreements, the Collateral Agent (or any of its designees or assignees) may assign its rights and interests and the rights and interests of the Project Company under the Assigned Agreements to any other entity if such entity shall assume liability for all of the obligations of the Project Company, including any payment obligations, under the Assigned Agreements theretofore accrued (but excluding any obligation to cure any then existing performance defaults, which by their nature are incapable of being cured).

SECTION 1.02 Right to Cure.

(a) In the event of any default by the Project Company in the performance of any of its obligations under either of the Assigned Agreements, or upon the occurrence or non-occurrence of any event or condition under any of the Assigned Agreements, which would immediately or with the passage of any applicable grace period or the giving of notice, or both, enable the Contracting Party to terminate or suspend its obligations under such Assigned Agreement, the Contracting Party shall (i) provide prompt written notice of such default, event or condition to the Collateral Agent and (ii) not terminate or suspend its obligations under such Assigned Agreement until it first gives the Collateral Agent the written notice referred to in clause (i) above and permits the Collateral Agent (or any of its designees or assignees) to cure the default within a period of 30 days for a payment default or 60 days for a default other than a payment default, in each case after the later of (A) notice of default having been given to the Collateral Agent by the Contracting Party and (B) the expiration of the applicable cure period provided in such Assigned Agreement for such entity to cure the applicable default; provided, however, if the Collateral Agent is diligently seeking to cure or foreclose but is prevented from doing so during the course of a bankruptcy or similar event of the Project Company, such cure period shall continue for a reasonable period of time until the Collateral Agent is permitted to cure or foreclose.

(b) In connection with any cure of a default under any of the Assigned Agreements or any assumption by the Collateral Agent (or any of its designees or assignees) of such entity's liabilities thereunder, only those obligations and liabilities arising expressly under the terms of such Assigned Agreement shall be required to be cured, and there shall be no obligation by the Collateral Agent, or any Secured Party (or any of their respective designees or assignees) to cure any non-contractual liability that may have arisen. No curing of any defaults under such Assigned Agreement shall be construed as an assumption by the Collateral Agent (or any of the Secured Parties) of any of the obligations, covenants or agreements of the Project Company under such Assigned Agreement.

SECTION 1.03 No Termination; No Amendment. The Contracting Party shall not, without the prior written consent of the Collateral Agent, (a) cancel, terminate or suspend performance under the Assigned Agreements or consent to or accept any cancellation, termination or suspension thereof, or its performance thereunder, unless such cancellation, termination or suspension is expressly provided for in the Assigned Agreements (but subject to Section 1.02) nor (b) materially amend, amend and restate, supplement, or otherwise modify the Assigned Agreements provided that, the consent of the Collateral Agent shall not be required if the Project Company is not required to obtain the consent of any Secured Parties for such amendment, amendment and restatement, supplement or other modification pursuant to the Financing Documents.

SECTION 1.04 Replacement Agreement. In the event that (a) any of the Assigned Agreements is rejected or terminated in any bankruptcy, insolvency or similar proceeding involving the Project Company, the Contracting Party or any other entity or (b) the assignment by way of security of the Assigned Agreements hereunder is ineffective or reasonably challenged; and if within 120 days after such rejection, termination, ineffectiveness or challenge the Collateral Agent (or any of its designees or assignees) shall so request and shall certify in writing to the Contracting Party that it or they intend to perform the obligations of the Project Company as and to the extent required under the Assigned Agreements (as if the Assigned Agreements had not been rejected or terminated, but otherwise only to the extent such obligations would be undertaken had such entity succeeded to the Project Company thereunder pursuant to Section 1.01), the Contracting Party shall execute and deliver to the Collateral Agent (or its designees or assignees) replacement contracts (the “Replacement Assigned Agreements”) for the balance of the remaining term under the original Assigned Agreements containing materially the same terms and provisions as the original Assigned Agreements (except for any requirements which have already been fulfilled by the Project Company and the Contracting Party or which are not required to be undertaken by such entity as aforesaid) and in such case, reference in this Consent to the “Assigned Agreements” shall be deemed also to refer to any such Replacement Assigned Agreements.

SECTION 1.05 Limitation on Liability.

The Contracting Party acknowledges and agrees that except as specifically provided in this Consent, neither the Collateral Agent nor any Secured Party (nor any of their respective designees or assignees) shall have any liability or obligation under the Assigned Agreements as a result of this Consent, the Financing Documents, or otherwise, nor shall the Collateral Agent be obligated or required to perform the Project Company’s obligations under the Assigned Agreements. In the event that (a) the Collateral Agent (or any of its respective designees or assignees) elects to succeed to the Project Company’s interest under the Assigned Agreements pursuant to Section 1.01 or (b) the Collateral Agent (or any of its designees or assignees) becomes a counterparty to a Replacement Assigned Agreements pursuant to Section 1.04, the sole recourse of the Contracting Party in seeking the enforcement of any obligations under this Consent, the Assigned Agreements or a Replacement Assigned Agreements shall be to such entity’s right, title and interest in the Power Plant (as described in the Settlement Agreement) and any related contractual or other rights previously held by the Project Company, and nothing contained in this Consent, the Financing Documents, the Assigned Agreements or otherwise shall require the Collateral Agent to advance or risk its own funds or otherwise incur financial liability.

It is hereby agreed and acknowledged that in no event shall the Contracting Party or any of its shareholders, equity holders, principals, affiliates, officers, directors, managers, agents, subcontractors, vendors or employees be liable, whether based in contract, in tort (including negligence and strict liability) or otherwise, for any special, exemplary, indirect, punitive, incidental or consequential loss or damage whatsoever, including without limitation any loss of energy and capacity revenues, loss of profit or anticipated revenues, cost of capital, loss of goodwill, and increased operating costs. Any liability of the Contracting Party hereunder shall be subject to all of the disclaimers, limitations of and protections against liability set forth in the Assigned Agreements. This Consent is not intended to obligate or expose Contracting Party to any liability beyond that expressly assumed by Contracting Party hereunder.

SECTION 1.06 Delivery of Notices. The Contracting Party shall deliver to the Collateral Agent, within five (5) days of the delivery thereof to the Project Company, a copy of each material notice, request or demand given by the Contracting Party pursuant to the Assigned Agreements.

SECTION 1.07 Payments. The Contracting Party shall pay all amounts payable by it to the Project Company under the Assigned Agreements in the manner and as and when required by the Assigned Agreements directly into the account specified on Exhibit A hereto, or to such other entity or account as shall be specified from time to time by the Collateral Agent to the Contracting Party in writing.

ARTICLE 2

Representations and Warranties

SECTION 2.01 Representations and Warranties of the Contracting Party. The Contracting Party hereby represents and warrants to the Collateral Agent and each of the Secured Parties (such representations and warranties being made as of the date of this Consent):

(a) The Contracting Party is a New Jersey corporation, duly organized and validly existing under the laws of the jurisdiction of its incorporation and is duly qualified to do business and is in good standing in all jurisdictions where necessary in light of the business it conducts and the property it owns and the business that it intends to conduct and the property that it intends to own in light of the transactions contemplated by the Assigned Agreements and this Consent.

(b) The Contracting Party (i) has the full power, authority and legal right to execute, deliver and perform its obligations under this Consent and the Assigned Agreements and such execution, delivery and performance have been duly authorized; (ii) has duly executed and delivered this Consent and the Assigned Agreements which constitute the legal, valid and binding obligations of the Contracting Party, enforceable against the Contracting Party in accordance with their respective terms, except as the enforceability thereof may be limited by (A) bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally and (B) general equitable principles (whether considered in a proceeding in equity or at law), and (iii) has obtained each governmental approval required for the execution, delivery or performance of this Consent and the Assigned Agreements. The execution, delivery and performance

by the Contracting Party of this Consent and the Assigned Agreements do not and will not result in a violation of (x) any law applicable to the Contracting Party (y) any provision of the governing documents of the Contracting Party or (z) any other agreement to which it is a party or by which it or its properties and assets are bound or affected, except, with respect to this clause (z), as could not reasonably be expected to result in a material adverse effect on its performance of the Assigned Agreements and this Consent.

(c) There is no action, suit or proceeding at law or in equity by or before any governmental authority, arbitral tribunal or other body now pending or, to the best knowledge of the Contracting Party, threatened against or affecting the Contracting Party or any of its properties, rights or assets which (i) if adversely determined, individually or in the aggregate, could reasonably be expected to have a material adverse effect on its ability to perform its obligations under the Assigned Agreements or this Consent or (ii) affects the validity, binding effect or enforceability of the Assigned Agreements or this Consent or any action taken or to be taken pursuant hereto or thereto or any of the transactions contemplated hereby or thereby.

(d) Neither the Contracting Party nor, to the best knowledge of the Contracting Party, the Project Company, is in default (nor will be in default after giving effect to the pledge and assignment referred to in Section 1.01) of any of their respective obligations under the Assigned Agreements and no event or condition exists which would either immediately or with the passage of any applicable grace period or giving of notice, or both, enable the Contracting Party, or, to the best knowledge of the Contracting Party, the Project Company, to terminate or suspend the Contracting Party's obligations under the Assigned Agreements. The Assigned Agreements are in full force and effect and the Contracting Party has not assigned any of its rights or delegated any of its duties under the Assigned Agreements.

(e) This Consent and the Assigned Agreements constitute and include all agreements entered into by the Contracting Party relating to, and required from the Contracting Party for the consummation of, the transactions contemplated by this Consent and the Assigned Agreements.

(f) Except as set forth on Exhibit C hereto, to the actual knowledge of the Contracting Party, the Contracting Party has no Excepted Claims (as defined in the Settlement Agreement) against the Project Company.

ARTICLE 3

Miscellaneous

SECTION 3.01 Term. This Consent shall terminate upon the earlier of (a) satisfaction of all the Project Company's obligations under, and the termination or expiration, as the case may be, of the Financing Documents, and (b) the termination of the Assigned Agreements in accordance with the terms thereof and the terms of this Consent.

SECTION 3.02 Amendments, Etc. No amendment or waiver of any provision of this Consent, and no consent to any departure herefrom, shall in any event be effective unless

the same shall be in writing and signed by each of the parties hereto, and any such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

SECTION 3.03 Notices. All notices and other communications provided for herein shall be in writing and shall be mailed by certified or registered mail, delivered by hand or overnight courier or sent by facsimile to the address, telecopier number, electronic mail address or telephone number specified in Exhibit B hereto or such other address, telecopier number, electronic mail address or telephone number as may be designated by a party in a written notice delivered to the other parties hereunder pursuant to this Section 3.03. Notices and other communications mailed by certified or registered mail or sent by hand or overnight courier service shall be deemed to have been given when received. Notices and other communications sent by facsimile during the recipient's normal business hours shall be deemed to have been given when sent (and, if sent after normal business hours, shall be deemed to have been given at the opening of business on the next business day).

SECTION 3.04 No Waiver; Cumulative Remedies. No failure to exercise, and no delay in exercising, on the part of the Collateral Agent or any Secured Party any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, are cumulative and not exclusive of any rights, remedies, powers or privileges provided by law.

SECTION 3.05 Successors and Assigns; Third Party Beneficiaries. The provisions of this Consent shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby; provided that neither the Project Company nor the Contracting Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Collateral Agent, and any other attempted assignment or transfer by either the Project Company or the Contracting Party shall be null and void. Nothing in this Consent shall be construed to confer upon any entity (other than the parties hereto and their respective successors and assigns permitted hereby) any legal or equitable right, remedy or claim under or by reason of this Consent; provided that the Secured Parties are intended third party beneficiaries of this Consent.

SECTION 3.06 Entire Agreement. This Consent, including any agreement, document or instrument attached hereto or referred to herein, constitutes the entire contract among the parties relating to the subject matter hereof and supersedes all previous agreements and understandings, oral and written, with respect thereto and the terms, conditions and provisions of this Consent shall prevail in the event of any conflict with any such agreement, document or instrument (including, without limitation, the Assigned Agreements).

SECTION 3.07 Severability. If any term or provision of this Consent is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Consent or invalidate or render unenforceable such term or provision in any other jurisdiction and the parties hereto shall negotiate in good faith to modify this Consent so as to effect the original intent of the parties as closely as possible.

SECTION 3.08 Governing Law; Waiver of Jury Trial; Jurisdiction. THIS CONSENT AND ANY CLAIM, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS CONSENT AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW JERSEY. The parties hereto agree to waive absolutely, unconditionally and irrevocably any right to trial by jury in any action or proceeding arising out of or in connection with this Consent or for the enforcement of any rights hereunder. The parties hereto hereby irrevocably (a) submit to the exclusive jurisdiction of any New Jersey State or Federal court sitting in Newark, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Consent, (b) agree that all claims in respect of such action or proceeding may be heard and determined in such New Jersey State or Federal court, (c) waive, to the fullest extent you may effectively do so, the defense of an inconvenient forum to the maintenance of such action or proceeding, (d) consent to the service of any and all process in the manner provided for in Section 3.03 and agrees that nothing herein will affect the right of any party hereto to serve process in any other manner permitted by applicable law and (e) agree that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner permitted by law.

SECTION 3.09 Execution in Counterparts. This Consent and any amendments, waivers, consents or supplements hereto may be executed in counterparts (and by different parties hereto in different counterparts), each shall constitute an original, but all when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Consent by facsimile or in electronic (i.e. "PDF" or "TIF") format shall be effective as delivery of a manually executed counterpart of this Consent.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto, by their officers duly authorized, intending to be legally bound, have caused this Consent to be duly executed and delivered as of the date first above written.

ATLANTIC CITY ELECTRIC COMPANY,
as Contracting Party

By: _____
Name:
Title:

LOGAN GENERATING COMPANY, L.P.,
as Project Company

By: _____
Name:
Title:

[____], not in its individual capacity but solely in its
capacity as Collateral Agent

By: _____
Name:
Title:

Exhibit A

Payment Instructions

Any and all amounts owed to the Project Company shall be paid to the following account:¹

Wire Instructions:

Bank: [●].
[]
SWIFT: []
ABA # []
Account # []
Account Name: []
Ref: []
FFC: []

ACH Instructions:

Bank: [●]
[]
SWIFT: []
ABA # []
Account # []
Account Name: []
Ref: []
FFC: []

¹ Insert account information for Revenue Account.

Exhibit B

Addresses

Contracting Party

Atlantic City Electric Company
c/o Pepco Holdings Inc.
Mailstop 88MK62
P.O. Box 231
Wilmington, DE 19899-0231
Attn: James B. Jacoby
Phone: (302) 429-3148
Email: James.Jacoby@exeloncorp.com

Project Company

Logan Generating Company, L.P.
c/o Starwood Energy Group
5 Greenwich Office Park
Greenwich, CT 06831
Attn: Asset Management
Phone: 203-422-7700
Email: energy.am@starwood.com

Collateral Agent

[_____]

Exhibit C

Excepted Claims

[to be completed]

EXHIBIT F

SELLER APPROVALS

1. Consent of Truist Bank, as Administrative Agent, under that certain Credit and Guaranty Agreement, dated as of January 19, 2018, by and among Seller's indirect parent entity, Excalibur Power Holdings, L.L.C., and the lenders thereunder ("Credit Agreement") and agreement to make such modifications to the Credit Agreement as may be necessary in connection therewith.
2. Consent of Bank of New York Mellon Trust Company, N.A., as Trustee (the "Trustee"), under that certain Indenture of Trust ("Indenture"), dated as of May 1, 2014, by and among Trustee and The Pollution Control Financing Authority of Gloucester County (the "Authority") for the Authority's Pollution Control Revenue Refunding Bonds (Logan Project), Series 2014A and agreement to waive any conditions or requirements under the Indenture as may be necessary in connection therewith.
3. Consent of Bank of New York Mellon Trust Company, N.A., as Collateral Agent, ("Collateral Agent") under that certain Collateral Agency and Intercreditor Agreement ("Collateral Agreement"), dated as of May 1, 2014, by and among the Trustee, the Seller, the Authority, MUFG Bank, N.A. (as successor to Union Bank, N.A.), as Working Capital Provider, and Collateral Agent, including without limitation acceptance of substitution of the Settlement Agreement and Interconnection Letter Agreement as collateral, and agreement to make such modifications to the Collateral Agreement as may be necessary in connection therewith.
4. Consent of the Authority under that certain Loan Agreement, dated as of May 1, 2014, between the Seller and the Authority to make such modifications to the Loan Agreement as may be necessary in connection therewith.
5. Consent of MUFG Bank, N.A., as the Administrative Agent, under that certain Senior Secured Revolving Credit Agreement, dated as of May 21, 2014, by and among Seller and the lenders thereunder ("Working Capital Facility") and agreement to make such modifications to the Working Capital Facility as may be necessary in connection therewith.

6.

EXHIBIT G

METERING, DISPATCH AND BIDDING SERVICES

FUNCTION CATEGORY	DETAILS OF FUNCTION	PROVIDED BY
OPERATIONS	1) 24 X 7 Hourly dispatch of Chambers & Logan	ACE Dispatch Team
	2) RT Hourly availability updates	ACE Dispatch Team
	3) PJM & EMERGENCY Response (i.e. All call, 100% spinning)	ACE Dispatch Team
	4) Monitoring Dispatch Lambda Signal	ACE Dispatch Team
	5) Telemetry	ACE Dispatch Team
	6) RT Edart Outage Reporting	ACE Dispatch Team
	*** Dispatcher access required to HAZGEN accounts for Chambers & Logan to perform above functions	
MARKETING	1) Daily DA Bidding of CCLP & Logan Units at the direction of Starwood	ACE Energy Acquisition Team
	2) Cost updating for fuel policy and pricing schedules at the direction of Starwood	ACE Energy Acquisition Team
	3) EDART Ticketing for Planned events & GO Surveys	ACE Energy Acquisition Team
	4) Monitor Metering	ACE Energy Acquisition Team
	5) PJM Hourly Power Meter Upload	ACE Energy Acquisition Team
	*** Access required to HAZGEN Accounts to perform these functions	

In the Matter of the Petition of Atlantic City Electric Company for Approval of the Modification of Power Purchase Agreements with Chambers Cogeneration Limited Partnership and Logan Generating Company, L.P.
BPU Docket No. EM21121253

Service List

BPU

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