

**Part 1 Application**

**To Procure Default Service Products**

**Under Provider of Last Resort (POLR) for**

**Duquesne Light Company**

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Name of Applicant

## **PART 1 APPLICATION**

### **AUCTIONS TO PROCURE DEFAULT SERVICE PRODUCTS FOR DUQUESNE LIGHT COMPANY**

#### **INSTRUCTIONS**

There are two parts to the application process.

- **Part 1 Application:** Applicants submit the Part 1 Application and all documents required therein to become Qualified Bidders for auctions used to procure default service products for Duquesne Light Company (“the Company”). A Qualified Bidder for an auction need not submit a new Part 1 Application for subsequent auctions in the same calendar year unless the information in the Qualified Bidder’s Part 1 Application has changed. In any case, a Qualified Bidder must submit its most recent financial statements during the Part 1 Application process before each auction.
- **Part 2 Application:** Qualified Bidders for the Auction submit the Part 2 Application in which they will: (a) agree to comply with the Bidding Rules, (b) agree to accept the terms of the Supplier Master Agreement (“SMA”) should they become a winning supplier, (c) make certifications regarding associations and handling of Confidential Information, (d) submit Indicative Offers, and (e) post Pre-Bid Security to become Registered Bidders.

This document is the Part 1 Application.

For further information, consult the Information Website.

Unless otherwise defined, capitalized terms in this document have the definitions provided in the SMA. “Communications Protocols” refers to the section “Communications Protocols” and related sections in the Bidding Rules.

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Name of Applicant

## **PART 1 APPLICATION SUBMISSION**

To become a Qualified Bidder for the Auction, Applicants must submit the following to the Independent Market Monitor electronically through the Secure Online Application Process by the Part 1 Application Due Date:

- **Electronic Application Form:** Completed Part 1 Application submitted online;
- **PDF Application Form:** One (1) scanned copy of the completed Part 1 Application with original signatures and the name of the Applicant on every page of the Application;
- **Supporting Documentation:** One (1) copy of required financial statements and other requested documents supporting the Application as specified in Appendix A; and
- **Changes to Pre-Bid Letter of Credit (Optional):** Any suggested modifications to the template for the Pre-Bid Letter of Credit must be provided to the Independent Market Monitor in an electronic, red-lined version.

Proposed modifications to the Pre-Bid Letter of Credit and any other inquiries may be directed to the Independent Market Monitor by email at [DuquesneDSP@crai.com](mailto:DuquesneDSP@crai.com). Inquiries can also be made through the Information Website.

Photocopies and facsimiles of completed documents will not be accepted under any circumstances.

It is in your interest to seek independent legal and financial advice before deciding to participate in the Auction.

**The completed Part 1 Application and any modifications to the Pre-Bid Letter of Credit MUST be received by the Independent Market Monitor no later than 12:00 p.m. noon prevailing Eastern Time on the Part 1 Application Due Date as posted in the timeline on the Information Website.**

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Name of Applicant

## **CONFIDENTIALITY OF PART 1 APPLICATION SUBMISSIONS**

Confidentiality requirements specific to the Part 1 Application are provided below.

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## **CONFIDENTIALITY OF CREDIT INFORMATION**

Any information and materials that you submit in this Part 1 Application may be provided on a confidential basis to the Independent Market Monitor Team and the Pennsylvania Public Utility Commission ("Commission") and their representatives. Information that you provide in this Part 1 Application, except for information regarding bidding agreements provided in Section 1.8 may be provided on a confidential basis to representatives of the Companies for a creditworthiness assessment.

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## **CONFIDENTIALITY OF QUALIFIED BIDDERS**

Upon completion of the Part 1 Application process, the names of Qualified Bidders will be provided to all Qualified Bidders on a confidential basis. As part of this Part 1 Application, you are required to certify that you agree to release your name to other Qualified Bidders and that you will keep confidential the list of Qualified Bidders that is provided to you.

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Name of Applicant

## **PART 1 APPLICATION**

### **Auction to Procure Default Service Products**

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This Part 1 Application is the application form to become a Qualified Bidder in the Default Service Auction.

#### **Background Information**

Before completing this form, please review the Bidding Rules document, the SMA, and other documents posted on the Information Website so that you understand the conditions under which the Default Service Auction will be conducted.

#### **Confirmation of Receipt**

Online Delivery: If your Part 1 Application is submitted online through the Secure Online Application Process, an email will be sent to the Authorized Representative and Delegate of the Applicant to confirm receipt. You will not be required to submit a hardcopy of the Part 1 Application.

#### **Incomplete Applications**

If your Part 1 Application is incomplete or requires clarification, the Independent Market Monitor will send a deficiency notice to your Authorized Representative by email. You will have until 12:00 p.m. noon prevailing Eastern Time on the Part 1 Application Due Date, or until 5:00 p.m. prevailing Eastern Time on the Business Day following the Business Day during which a deficiency notice is sent to you, whichever comes later, to respond. If you do not correct or adequately explain the deficiency within the time allowed, your Part 1 Application may be rejected and you may be unable to participate in the Auction. All corrections to remedy deficiencies within an Applicant's Part 1 Application must be submitted online. The Authorized Representative needs to sign and date next to the correction(s) to the Part 1 Application and send a copy as an email attachment to the Independent Market Monitor at [DuquesneDSP@crai.com](mailto:DuquesneDSP@crai.com).

#### **Late Applications**

Part 1 Applications received after the Part 1 Application Due Date will NOT be accepted under any circumstances.

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Name of Applicant

### **Notification to Qualified Bidders**

If you become a Qualified Bidder for the Default Service Auction, the Independent Market Monitor will send a Notification of Qualification to your Authorized Representative by email after the Part 1 Application Due Date. The Notification of Qualification also will be sent to your Authorized Representative.

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\_\_\_\_\_  
Name of Applicant

**PART 1 APPLICATION FORMS**

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**1.1. Applicant Basic Information**

Name of Applicant (Company Name)

Legal Name of Applicant (if different from above)

Place of Incorporation, if applicable

Federal Tax I.D.

D&B DUNS #

Please state whether the Applicant is a corporation, partnership, etc

Years in Business

URL for Applicant's Website

Has the Applicant participated in a prior Duquesne Default Service solicitations?

If yes, indicate the most recent auction date (month, year):

\_\_\_\_\_  
Name of Applicant

## 1.2. Authorized Representative

The Authorized Representative is authorized to represent the Applicant in the Default Service Auction. The Authorized Representative will receive all documentation related to the relevant auction(s) if and when the Applicant becomes a Qualified Bidder and subsequently a Registered Bidder, including any auction procedures and Confidential Information required for the submission of bids in any trial auction(s) and in the actual auction(s). The Authorized Representative must ensure that only authorized persons act on behalf of the Applicant in the Auction. The Authorized Representative is the only person authorized to distribute auction procedures and Confidential Information and should do so in accordance with the Communications Protocols. The integrity of the Auction depends upon each Authorized Representative safeguarding Confidential Information and passwords used in the auctions. The Independent Market Monitor will communicate exclusively with the Authorized Representative or, if instructed by the Authorized Representative, with a Delegate, as designated in this Part 1 Application.

**The person designated below is the Applicant's Authorized Representative.**

Last Name

Given Name(s)

Mr/Mrs/Ms/Dr/(other)

Title

Street Address 1

Street Address 2

City

State

Zip Code

Telephone No.

Cell Phone No.

Fax No.

Email Address



\_\_\_\_\_  
Name of Applicant

**Communications with the Authorized Representative for purposes of the Part 1 Application are typically done via email and courier.**

The Applicant hereby acknowledges that any notification or other communication given by the Independent Market Monitor to the Applicant with respect to the Part 1 Application shall be delivered by courier to the address provided above or emailed to the email address above and shall be deemed received by the Applicant at the time of delivery, provided that where delivery occurs after 5:00 p.m. prevailing Eastern Time on a Business Day or on a day which is not a Business Day, receipt shall be deemed to occur at 8:00 a.m. prevailing Eastern Time on the following Business Day.

I hereby certify that I am authorized by the Applicant to serve as Authorized Representative, to represent the Applicant both (i) in the Default Service Auction, and (ii) for purposes of this Part 1 Application. I further certify that I will be responsible for all Confidential Information regarding the Auction and I will distribute Confidential Information only to other individuals who are authorized to act on behalf of the Applicant according to the Communications Protocols.

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date

Part 1 Application: Duquesne Light Company's Auctions to Procure Default Service Products

\_\_\_\_\_  
Name of Applicant

**The person designated in this section by the Applicant is the Delegate.**

Last Name

Given Name(s)

Mr/Mrs/Ms/Dr/(other)

Company Name

Title

Street Address 1

Street Address 2

City

State

Zip Code

Telephone No.

Cell Phone No.

Fax No.

Email Address

\_\_\_\_\_  
Name of Applicant

### 1.3. Applicant's Credit Representative

The Applicant's Credit Representative is the Applicant's in-house Credit Representative who can answer questions or provide information about the Applicant's credit with respect to the requirements for the Auction.

**The person designated below is the Applicant's Credit Representative.**

Last Name

Given Name(s)

Mr/Mrs/Ms/Dr/(other)

Title

Street Address 1

Street Address 2

City

State

Zip Code

Telephone No.

Cell Phone No.

Fax No.

Email Address

\_\_\_\_\_  
Name of Applicant

**1.4. General Requirements to Participate in the Auctions to Procure Default Service Products**

1. If the Applicant already is a Transmission Customer of PJM who has executed the applicable PJM Agreements as that term is defined in the SMA, please check

Otherwise, please certify that there exist no known impediments for the Applicant to execute the applicable PJM Agreements prior to the start of the supply period.

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date

2. If the Applicant already has PJM E-Accounts necessary to provide Default Service supply, please check

Otherwise, please certify that there exist no known impediments for the Applicant to establish the PJM E-Accounts necessary to provide Default Service Supply and execute the PJM E-Account contract(s) for the supply period prior to the beginning of the supply period.

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date

3. If the Applicant already is a PJM Market Participant and a Load Serving Entity in PJM, please check

Otherwise, please certify that there exist no known impediments for the Applicant to become a PJM Market Participant and a Load Serving Entity in PJM by the start of the supply period.

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of Applicant

4. Further, please certify that:

- (a) The Applicant and its corporate officers have no indictments or pending criminal litigation in any federal, state or local jurisdiction relating to the Applicant;
- (b) The Applicant has no civil penalties, judgments, sanctions or consent decrees arising out of the violation of any law, rule, regulation or ordinance in connection with its business activities;
- (c) The Applicant has not had any permit or authority to do business in any jurisdiction revoked or suspended; and
- (d) The Applicant has never been barred from public bidding or sanctioned for unauthorized disclosure of Confidential Information.

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date

If you are unable to make these certifications in Section 1.4, subsections (1) to (4), please state which certifications you are unable to make and explain all reasons in the space given below.

\_\_\_\_\_  
 Name of Applicant

**1.5. Financial and Credit Information for the Applicant**

**Please provide the following information for the Applicant:**

- (a) If the Applicant is not an SEC registrant, provide the most recent Annual Report;
- (b) If the Applicant is an SEC registrant, provide the Form 10-K most recently filed with the SEC. If unavailable, please provide the most recent audited annual financial information (including a balance sheet, income statement, and cash flow statement);
- (c) If the Applicant is an SEC registrant, provide the Form 10-Q most recently filed with the SEC. If unavailable, please provide the most recent audited quarterly financial information (including a balance sheet, income statement, and cash flow statement);
- (d) If the Applicant is an SEC registrant and if both the Form 10-K and Form 10-Q most recently filed with the SEC are not available, please provide the most recent annual or quarterly financial data accompanied by an attestation by the Applicant’s Chief Financial Officer that the information submitted is true, correct and a fair representation of the Applicant’s financial condition;
- (e) The following financial information along with page references to the relevant financial filings submitted:

	Amount (\$)	Financial Document Page Number	Financial Document Source	Date of Financial Document Source
Goodwill				
Shareholders' Equity				
Net Intangible Assets				

Name of Applicant \_\_\_\_\_

- (f) Applicant's senior unsecured debt ratings from the following three rating agencies if available, and the date of the rating, along with documentation showing the name of the rating agency, the type of rating, and the rating of the Applicant:

	Rating	Date of the Rating
Moody's		
Standard & Poor's		
Fitch		

If senior unsecured debt ratings are unavailable, but corporate issuer ratings are available, please provide the corporate issuer ratings, and the date of the rating, along with documentation showing the name of the rating agency, the type of rating, and the rating of the Applicant:

	Rating	Date of the Rating
Moody's		
Standard & Poor's		
Fitch		

- (g) If the Applicant has not been incorporated or otherwise formed under the laws of the United States, the Applicant is asked to provide in addition to (a)-(f) above:
- i. A legal opinion acceptable to the Company of counsel qualified to practice in the foreign jurisdiction in which the Applicant is incorporated or otherwise formed that the SMA will become the binding obligation of the Applicant in the jurisdiction in which it has been incorporated or otherwise formed.
  - ii. Any additional information that the Applicant wishes to include that could provide comparable credit assurances to those that are provided by other Applicants that have been incorporated or otherwise formed under the laws of the United States.

Name of Applicant \_\_\_\_\_

Further, if such Applicants become Default Service Suppliers, they will be required to submit additional documents as detailed in Article 6 of the SMA, including:

- A legal opinion of counsel qualified to practice in the foreign jurisdiction in which the Default Service Supplier is incorporated or otherwise formed that this Agreement is, or upon the completion of execution formalities will become, the binding obligation of the Default Service Supplier in the jurisdiction in which it has been incorporated or otherwise formed;
- The sworn certificate of the corporate secretary (or similar officer) of such Default Service Supplier that the person executing the Agreement on behalf of the Default Service Supplier has the authority to execute the Agreement and that the governing board of such Default Service Supplier has approved the execution of the Agreement; and
- The sworn certificate of the corporate secretary (or similar officer) of such Default Service Supplier that the Default Service Supplier has been authorized by its governing board to enter into agreements of the same type as the SMA.
- Such other documents and certificates as may be required by the Company in its sole discretion

**Is the Applicant and/or its parent:**

	<u>Applicant</u>		<u>Parent</u>	
	Yes	No	Yes	No
Has the applicant or predecessor company declared bankruptcy in the last 5 years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any pending bankruptcies or other similar state or federal proceedings, outstanding judgment or pending claims or lawsuits that could affect the solvency of the applicant?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject to pending litigation or regulatory proceedings (in state court, or in federal court, or from regulatory agencies, or in any other jurisdiction) which could materially impact the Applicant's and/or parent's financial condition?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



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Name of Applicant

If the answer is "Yes" to either of the first two questions above, please provide an addendum to this application describing the situation and how it affects the applicant's ability to meet or not to meet its credit obligations.

Please provide a statement disclosing any existing, pending or past adverse rulings, judgments, litigation, contingent liabilities, revocations of authority, administrative, regulatory (state, FERC, SEC or DOJ) investigations and any other matters relating to financial or operational status for the past three years that arise from the sale of electricity or natural gas, or that materially affect current financial or operational status.

\_\_\_\_\_  
Name of Applicant

### 1.6. Guarantor Information

The Guarantor information is required only if the Applicant expects to have a third party act as a Guarantor should the Applicant become a Default Service Supplier.

**Please check here  and proceed to the next section if this section does not apply to you because you will not have a third party act as a Guarantor.**

#### Basic Information for the Guarantor

Name of Guarantor

Legal Name of Guarantor (if different from above)

Place of Incorporation, if applicable

Federal Tax I.D.

D&B DUNS #

Please state whether the Guarantor is a corporation, partnership, etc

Years in Business

#### Guarantor's Contact Information

Last Name

Given Name(s)

Mr/Mrs/Ms/Dr/(other)

Title

Street Address 1

Street Address 2

City

State

Zip Code

Telephone No.

Cell Phone No.

Fax No.

Email Address

\_\_\_\_\_  
Name of Applicant

**The Guarantor's Credit Representative**

The Guarantor's in-house Credit Representative is the individual who can answer questions or provide information about the Guarantor's credit with respect to the requirements for the Auction.

**The person designated below is the Guarantor's Credit Representative.**

Last Name

Given Name(s)

Mr/Mrs/Ms/Dr/(other)

Title

Street Address 1

Street Address 2

City

State

Zip Code

Telephone No.

Cell Phone No.

Fax No.

Email Address

Name of Applicant \_\_\_\_\_

**Please provide the following information for the Guarantor:**

- (a) If the Guarantor is not an SEC registrant, provide the most recent Annual Report;
- (b) If the Guarantor is an SEC registrant, provide the Form 10-K most recently filed with the SEC. If unavailable, please provide the most recent audited annual financial information (including a balance sheet, income statement, and cash flow statement);
- (c) If the Guarantor is an SEC registrant, provide the Form 10-Q most recently filed with the SEC. If unavailable, please provide the most recent audited quarterly financial information (including a balance sheet, income statement, and cash flow statement);
- (d) If the Guarantor is an SEC registrant and if both the Form 10-K and Form 10-Q most recently filed with the SEC are not available, please provide the most recent annual or quarterly financial data accompanied by an attestation by the Guarantor's Chief Financial Officer that the information submitted is true, correct and a fair representation of the Applicant's financial condition;
- (e) The following financial information along with page references to the relevant financial filings submitted:

	Amount (\$)	Financial Document Page Number	Financial Document Source	Date of Financial Document Source
Goodwill				
Shareholders' Equity				
Net Intangible Assets				

Name of Applicant \_\_\_\_\_

- (f) Guarantor's senior unsecured debt ratings from the following three rating agencies if available, and the date of the rating, along with documentation showing the name of the rating agency, the type of rating, and the rating of the Guarantor:

	Rating	Date of the Rating
Moody's		
Standard & Poor's		
Fitch		

If senior unsecured debt ratings are unavailable, but corporate issuer ratings are available, please provide the corporate issuer ratings, and the date of the rating, along with documentation showing the name of the rating agency, the type of rating, and the rating of the Guarantor:

	Rating	Date of the Rating
Moody's		
Standard & Poor's		
Fitch		

- (g) If the Guarantor has not been incorporated or otherwise formed under the laws of the United States, the Guarantor is asked to provide in addition to a)-f) above:
- i. A legal opinion acceptable to the Company of counsel qualified to practice in the foreign jurisdiction in which the Guarantor is incorporated or otherwise formed that the Guaranty will become the binding obligation of the Guarantor in the jurisdiction in which it has been incorporated or otherwise formed.
  - ii. Any additional information that the Guarantor wishes to include that could provide comparable credit assurances to those that are provided by other Guarantors that have been incorporated or otherwise formed under the laws of the United States.

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Name of Applicant

Further, if an Applicant with such a Guarantor becomes a Default Service Supplier, the Guarantor will be required to submit additional documents as detailed in Article 6 of the SMA, including:

- A legal opinion of counsel qualified to practice in the foreign jurisdiction in which the Guarantor is incorporated or otherwise formed that this Guaranty is, or upon the completion of execution formalities will become, the binding obligation of the Guarantor in the jurisdiction in which it has been incorporated or otherwise formed;
- The sworn certificate of the corporate secretary (or similar officer) of such Guarantor that the person executing the Guaranty on behalf of the Guarantor has the authority to execute the Guaranty and that the governing board of such Guarantor has approved the execution of the Guaranty; and
- The sworn certificate of the corporate secretary (or similar officer) of such Guarantor that the Guarantor has been authorized by its governing board to enter into agreements of the same type as the Guaranty.
- Such other documents and certificates as may be required by the Company in its sole discretion

\_\_\_\_\_  
Name of Applicant

**Is the Guarantor and/or its parent (if applicable):**

	Guarantor		Parent	
	Yes	No	Yes	No
Has the applicant or predecessor company declared bankruptcy in the last 5 years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any pending bankruptcies or other similar state or federal proceedings, outstanding judgment or pending claims or lawsuits that could affect the solvency of the applicant?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject to pending litigation or regulatory proceedings (in state court, or in federal court, or from regulatory agencies, or in any other jurisdiction) which could materially impact the Guarantor's and/or parent's financial condition?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If the answer is "Yes" to either of the first two questions above, please provide an addendum to this application describing the situation and how it affects the applicant's ability to meet or not to meet its credit obligations.

Please provide a statement disclosing any existing, pending or past adverse rulings, judgments, litigation, contingent liabilities, revocations of authority, administrative, regulatory (State, FERC, SEC or DOJ) investigations and any other matters relating to financial or operational status for the past three years that arise from the sale of electricity or natural gas, or that materially affect current financial or operational status of the Guarantor.

\_\_\_\_\_  
Name of Applicant

**1.7. Additional Certifications**

The Bidding Rules, the SMA, and the Information Website include important information that an Applicant should understand prior to participating in the Auction.

- (a) Please certify that you have read the Bidding Rules for the Auction and that you will comply with these rules.

\_\_\_\_\_  
Signature of Authorized Representative                      \_\_\_\_\_  
Date

- (b) Please certify that you have read the SMA and that you accept its terms. Please also certify that if you become a winning bidder, you will execute the SMA within three (3) Business Days following the date of the Commission's approval of the auction results:

\_\_\_\_\_  
Signature of Authorized Representative                      \_\_\_\_\_  
Date



\_\_\_\_\_  
Name of Applicant

- (c) Please certify that if you qualify to participate in the Auction, you will not disclose at any time information regarding the list of Qualified Bidders in the Auction, including but not limited to the number of Qualified Bidders, the identity of any one of the Qualified Bidders (including yourself), or the fact that an entity has not qualified for participation in Auction. Further, please certify that you will destroy any document distributed by the Independent Market Monitor that lists the Qualified Bidders within five (5) days of the close of the bidding, or earlier if so instructed by the Independent Market Monitor.

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date

- (d) No Qualified Bidder in the Auction shall substitute another party, transfer its rights to another party, or otherwise assign its status as a Qualified Bidder to another party. Any such substitutions, transfers, or assignments shall be null and void and will result in the exclusion of the Qualified Bidder from the Auction. Please certify that you agree to the limitation set forth in this paragraph.

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date

The Bidding Rules and Communications Protocols include restrictions on the disclosure of Confidential Information. For purposes of the following certifications, the definition of Confidential Information relative to bidding strategy is defined according to Section 12.2 of the Bidding Rules.

- (e) Please certify that you agree not to disclose any Confidential Information relative to bidding strategy to any party that may have an effect on the participation of another bidder, prospective bidder, or on any of the bids that another bidder would be willing to submit.

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of Applicant

- (f) Please certify that, to the extent Confidential Information relative to bidding strategy is disclosed within your organization or to a third party, you will ensure that sufficient precautions are taken to ensure that such Confidential Information is not made public or made available to another bidder. Such precautions include, but are not limited to confidentiality agreements, non-disclosure agreements, firewalls, and other contractual or structural protections that would maintain the confidential nature of a bidder's bidding strategy.

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date

If unable to make the certifications requested above please identify the nature of your need to disclose Confidential Information without sufficient precautions to ensure that such Confidential Information is not made public or made available to another bidder.

\_\_\_\_\_  
Name of Applicant

### 1.8. Bidding Agreements

**Please note that the Company will not  
review information provided in this section.**

**Please check here  and proceed to the next section if you will be bidding independently and not as a party to any bidding agreement with another party or through any other arrangement involving joint or coordinated bidding with any other party.**

Otherwise, please indicate below whether you are a party to or a part of a bidding agreement, a joint venture, a bidding consortium, or other arrangements for purposes of participating in the Auction or pertaining to bidding in the Auction. On the next page, please also provide the names of the other parties to the bidding agreement or other arrangement.

\_\_\_\_\_  
Name of Applicant

Other parties to the arrangement:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Bidding Agreement

Bidding Consortium

Joint Venture

Other (define)

If you are part of a bidding agreement, bidding consortium or joint venture, you must nominate a single party to the bidding agreement, bidding consortium or joint venture to fulfill the creditworthiness requirements. This party may have a Guarantor. Please indicate below which party from the bidding agreement, bidding consortium, or joint venture will be fulfilling the creditworthiness requirements:

Name of the single party fulfilling the creditworthiness requirements:

The Authorized Representative of the party named above must sign here to acknowledge the fact that this party has agreed to fulfill the creditworthiness requirements:

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date

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Name of Applicant

**1.9. Justification of Omissions**

If you are unable to provide all documents or all information requested in this Part 1 Application, please justify fully any omissions in the space provided below.

Name of Applicant

## Appendix A – Enclosures to the Part 1 Application

This is a checklist of documents to be enclosed with this Part 1 Application. Please submit only one copy of required supporting documents to the application unless noted otherwise.

A copy of the completed Part 1 Application with original signatures of Sections 1.2 and 1.4 [Instructions Part 1]

For the Applicant:

- A copy of the signature page of the applicable PJM Agreements as that term is defined in the SMA [Section 1.4]
- If the Applicant is not an SEC registrant, provide the most recent Annual Report [Section 1.5]
- If the Applicant is an SEC registrant, provide the Form 10-K most recently filed with the SEC. If unavailable, please provide the most recent audited annual financial information (including a balance sheet, income statement, and cash flow statement) [Section 1.5]
- If the Applicant is an SEC registrant, provide the Form 10-Q most recently filed with the SEC. If unavailable, please provide the most recent audited quarterly financial information (including a balance sheet, income statement, and cash flow statement) [Section 1.5]
- If the Applicant is an SEC registrant and if both the Form 10-K and Form 10-Q most recently filed with the SEC are not available, please provide the most recent annual or quarterly financial data accompanied by an attestation by the Applicant's Chief Financial Officer that the information submitted is true, correct and a fair representation of the Applicant's financial condition [Section 1.5]
- Senior unsecured debt ratings or, if unavailable, corporate issuer ratings [Section 1.5]
- If the Applicant has not been incorporated or otherwise formed under the laws of the United States, (i) a legal opinion acceptable to Companies of counsel qualified to practice in the foreign jurisdiction in which the Applicant is incorporated or otherwise formed that the SMA will become the binding obligation of the Applicant in the jurisdiction in which it has been incorporated or otherwise formed, and (ii) any additional information that the Applicant wishes to give that could provide comparable credit assurances to those that are provided by other Applicants that have at least two credit ratings from accepted credit ratings agencies. [Section 1.5]

\_\_\_\_\_  
Name of Applicant

For the Guarantor:

- If the Guarantor is not an SEC registrant, provide the most recent Annual Report [Section 1.6]
- If the Guarantor is an SEC registrant, provide the Form 10-K most recently filed with the SEC. If unavailable, please provide most recent audited annual financial information (including a balance sheet, income statement, and cash flow statement) [Section 1.6]
- If the Guarantor is an SEC registrant, provide the Form 10-Q most recently filed with the SEC. If unavailable, please provide most recent audited quarterly financial information (including a balance sheet, income statement, and cash flow statement) [Section 1.6]
- If the Guarantor is an SEC registrant and if both the Form 10-K and Form 10-Q most recently filed with the SEC are not available, please provide most recent annual or quarterly financial data accompanied by an attestation by the Guarantor's Chief Financial Officer that the information submitted is true, correct and a fair representation of the Applicant's financial condition [Section 1.6]
- Senior unsecured debt ratings or, if unavailable, corporate issuer ratings [Section 1.6]
- If the Guarantor has not been incorporated or otherwise formed under the laws of the United States, (i) a legal opinion acceptable to the Companies of counsel qualified to practice in the foreign jurisdiction in which the Guarantor is incorporated or otherwise formed that the Guaranty will become the binding obligation of the Guarantor in the jurisdiction in which it has been incorporated or otherwise formed, and (ii) any additional information that the Guarantor wishes to give about the Guarantor's financial standing that could provide comparable credit assurances to those that are provided by other Guarantors that have at least two credit ratings from accepted credit rating agencies. [Section 1.6]

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Name of Applicant

## **Appendix B – Draft Pre-Bid Letter of Credit for the Pre-Bid Security (Optional)**

The standard form of the Pre-Bid Letter of Credit is in a form acceptable to the Companies and will be posted to the Information Website. However, an Applicant has the option to submit a draft Pre-Bid Letter of Credit clearly identifying proposed changes in an electronic, redlined version by email with their Part 1 Application to DuquesneDSP@crai.com.

The Company will assess, in its sole and exclusive discretion, whether such modifications are acceptable. The Qualified Bidder, in its Part 2 Application, must provide the required executed Pre-Bid Letter of Credit that either uses the standard form or incorporates only those modifications to the standard form accepted by the Company upon review of the Part 1 Application. The draft Pre-Bid Letter of Credit will be reviewed in accordance with the following process:

- Upon receipt of the Part 1 Application, the Independent Market Monitor will redact the draft Pre-Bid Letter of Credit to remove any information identifying the Applicant. The Independent Market Monitor will then forward the redacted version to a credit and legal representative of the Company.
- The credit representative will determine whether such modifications are acceptable. The credit representative shall inform the Independent Market Monitor of its decision no later than seven (7) Business Days following the Part 1 Application Due Date.
- Upon receipt of the Company's decision, the Independent Market Monitor will notify the Applicant of the Company's decision. The Company's decision will either state:
  - (i) The draft Pre-Bid Letter of Credit is acceptable to the Company in the form in which it was submitted.
  - (ii) The draft of Pre-Bid Letter of Credit is not acceptable to the Company in the form in which it was submitted, but would be acceptable subject to specific changes of a minor nature. The correspondence from the Independent Market Monitor will set forth the required changes.
  - (iii) The draft Pre-Bid Letter of Credit is not acceptable to the Company.
- If specific changes are required to the draft Pre-Bid Letter of Credit, the Applicant will be required to resubmit the draft Pre-Bid Letter of Credit with changes identified by the Companies on the Business Day following the Business Day during which the Independent Market Monitor notified the Applicant of the Companies' decision. No later than three (3) Business Days after the Applicant's resubmission, the Independent Market Monitor will notify the Applicant of the final decision.



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Name of Applicant

**End of Part 1 Application**

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