

RFP Overview Webinar

October 3, 2024

**FirstEnergy Ohio Utilities’
Request for Proposal (“RFP”) to Procure
Renewable Energy Credits (“RECs”)**

Proposal Submission Date: November 5, 2024
Delivered By: February 15, 2025

Introduction

Welcome to this bidder information session for FirstEnergy Ohio Utilities' Request for Proposal (“RFP”) to Procure Renewable Energy Credits (“RECs”)

- FirstEnergy Ohio Utilities: The Cleveland Electric Illuminating Company, The Toledo Edison Company, and Ohio Edison Company (“Companies”)
- RFP is designed to procure Ohio-compliant Renewable Energy Credits (“Renewable Energy Credits” or “RECs”) for the Companies
 - The agreement will be a PSA between the winning bidder and the FirstEnergy Ohio Utilities
- FEOU REC RFP proposal due date is Tuesday, November 5, 2024, by 12:00 P.M. EPT
- RECs to be delivered on or before February 15, 2025

Presentation is being made by representatives from CRA International, the independent RFP Manager

This presentation will be posted to the Information Website

Introduction

Questions

2 ways to submit questions during the presentation – questions will be answered only after the prepared presentation

- Send an email to feouRECrfp@crai.com or
- Use the Zoom Q&A feature to submit your questions
 - Attendees will only be able to see their own questions submitted

Following the prepared presentation

- Questions will be queued in the order above
- Questions sent via email will be answered first and questions on Zoom Q&A will be answered next
- Attendees who use Q&A will remain anonymous during the Q&A session

Introduction

Disclaimer

The information contained in this presentation material is intended to provide only generally descriptive and summary information. The information and material provided on the Information Website and filed with the Commission are controlling. Any conflict with the information conveyed during the RFP Overview Webinar, or with information or material other than what is provided on the Information Website, is unintentional.

Certain information may be subject to modification and approval by the Commission.

Introduction

Background

FirstEnergy Corp. issues this RFP to purchase Ohio-compliant Renewable Energy Credits for its Ohio utilities. The purchases will help meet the companies' 2024 renewable energy targets established under Ohio's alternative energy law.

Agenda

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Communications Protocol

Central source of information is the REC RFP Information Website:
www.firstenergy-recrfp.com

- Documents – RFP Documents, RFP Overview, etc.
- Calendar
- News
- FAQ
- Ask – submit a question
- About – links to background information
- Registration – register to receive future notifications

Communications Protocols (available on Information Website)

- Promote a fair, open, transparent, objective, and non-discriminatory RFP
- REC RFP Manager is the only communication point for prospective Proposers
- RFP Manager Email: feouRECrfp@crai.com
- Information is distributed and disseminated equally and fairly to all prospective Proposers

Target Quantities

FirstEnergy Ohio Utilities is seeking to purchase 700,000 Ohio compliant RECs to be Delivered on or before February 15, 2025

RECs sought in this RFP must be:

- Eligible for compliance with the companies' 2024 renewable energy obligations
- Sourced from generating facilities certified in accordance with rules and procedures put forth by the Public Utilities Commission of Ohio (PUCO)
- Deliverable through PJM Environmental Information System Generation Attribute Tracking System (EIS GATS) and generated between January 1, 2022 and December 31, 2024

One REC represents the environmental attributes of one megawatt hour of generation from a PUCO-qualified renewable generating facility

Eligibility and Requirements

Submit an application from a Proposer with the power to bind the Proposer and agree to:

- Comply with all rules of the RFP process
- If they become the winning Proposer, they will execute the PSA with the Companies

Show that they either satisfy the requirements below, or have no existing impediments to them satisfying all the requirements by the start of the supply period

- Be or have been derived from Eligible Resources;
- Be firm offers and not unit contingent offers;
- Be or have been generated no earlier than January 1, 2022 and no later than December 31, 2024;
- Be consistent with all applicable Ohio laws, rules and regulations, including without limitation, rules and regulations promulgated by the PUCO;
- Be Delivered to FirstEnergy Ohio Utilities no later than February 15, 2025 via GATS; and
- Become the sole property of FirstEnergy Ohio Utilities

PSA Overview

The terms and conditions of FirstEnergy Ohio Utilities' purchases will be subject to a Purchase and Sale Agreement for Renewable Energy Credits ("PSA")

- All terms and conditions incorporated in the PSA are considered final and non-negotiable
- In the event a successful Proposer fails to secure the quantity of RECs from the renewable generating facility that the Proposer originally planned to use to provide such RECs, it remains that successful Proposer's obligation to Deliver to FirstEnergy Ohio Utilities the quantity of RECs set forth in the PSA
- Proposers must be able to meet all requirements of the PSA, and failure to do so will result in the exclusion of the Proposer's proposal from further consideration
- The PSA is posted in the Documents section of the RFP information website

Proposal Submittal Requirements

Due Date: Tuesday, November 5, 2024 by 12:00 PM EPT

To submit a proposal, send one email to feouRECrfp@crai.com which includes all of the following completed documents:

- Credit Application;
- Qualification Application; and
- Pricing Proposal(s)

The required documents are posted in the Documents section of the RFP information website

Credit Application

Due Date: No later than Tuesday, November 5, 2024 by 12:00 PM EPT

Attachment 2 Credit Application is available on the RFP information website

All Proposers must submit a credit application. Proposers who submit a credit application early may receive feedback and will have the opportunity to modify their credit application if it is resubmitted prior to the proposal due date

Credit Applications are used to determine the amount (if any) of security that would be required under the PSA

**FirstEnergy Ohio Utilities
RFP for 2024 Ohio Compliant Renewable Energy Credits**

Attachment 2: Credit Application

INSTRUCTIONS

All Proposers must submit a Credit Application. The Credit Application must be signed by an authorized representative of your company. *Please submit the signed and scanned copy via e-mail to feouRECrfp@crai.com.* If Proposer previously completed a Credit Application for any previous FirstEnergy Ohio Utilities Renewable RFP, the Proposer is still required to complete a new Credit Application.

All submissions are due no later than November 5, 2024 at 12:00 EPT. *FirstEnergy Ohio Utilities reserves the right to modify any dates stated below at its sole discretion and accepts no liability to the extent the actual schedule is different from the anticipated schedule. In the event a change is made to the RFP Schedule, a revised schedule will be posted on the RFP website.*

Please see Article 5 of the PSA and Section 8 of the RFP Bidding Rules for additional information regarding Credit and Security.

Qualification Application

Due Date: Tuesday, November 5, 2024 by 12:00 PM EPT

Attachment 3 Qualification Application is available on the RFP information website

The Qualifying Application consists of two (2) parts both of which must be completed in full

1. Proposer Information
2. Confirmation of PSA and Statement of REC Compliance which must be signed by an authorized representative

FirstEnergy Ohio Utilities
RFP for 2024 Ohio Compliant Renewable Energy Credits

Attachment 3: Qualifying Application

Due: November 5, 2024 by 12:00 PM EPT. *FirstEnergy Ohio Utilities reserves the right to modify any dates stated below at its sole discretion and accepts no liability to the extent the actual schedule is different from the anticipated schedule. In the event a change is made to the RFP Schedule, a revised schedule will be posted on the RFP website.*

The Qualifying Application consists of two (2) parts:

- I. Proposer Information
- II. Confirmation of PSA and Statement of REC Compliance (to be signed by an authorized representative)

All Proposers must complete the applicable sections of this Qualifying Application. It is the Proposer's responsibility to provide all information that could impact its Proposal. If it appears that information is inadvertently omitted from a Proposal, RFP Manager may, but is not required to, contact the Proposer to request such information. If Proposer has any questions regarding its Qualifying Application, Proposer is encouraged to contact RFP Manager via email at feouRECrfp@crai.com.

Please submit this completed and signed application to: feouRECrfp@crai.com.

Bid Price Proposal

Due Date: Tuesday, November 5, 2024 by 12:00 PM EPT

Attachment 4 Bid Price Proposal is available on the RFP information website

All Pricing Proposals must specify the contract amount and fixed price for all 2024 Ohio Compliant RECs proposed for Delivery

You may use multiple rows in the Bid Price Proposal to submit multiple bid price and quantities; however, you must structure the bids such that you are capable of delivering all REC contract amounts proposed

All contract amounts are considered “up to” and FirstEnergy Ohio Utilities reserves the right to offer a smaller contract amount than bid

| FIRSTENERGY OHIO UTILITIES 2024 Ohio Compliant REC RFP Attachment 4: Bid Price Proposal | | | |
|---|---|--|---|
| COMPLETE THIS FORM FOR EACH OHIO COMPLIANT REC PRICING PROPOSAL | | | |
| Gray boxes below are bidder input boxes. | | | |
| II. REC BID PRICE PROPOSAL | | | |
| | Quantity of RECs (inclusive of solar and non-solar resources) | Bid Price (Applies to the entire REC Quantity entered for this Bid Quantity/Price Combination) | Notional Proposal Value (REC Quantity * Proposed Price) |
| Bid Quantity / Price Combination 1 | 0 | \$0.00 | \$0.00 |
| Bid Quantity / Price Combination 2 | 0 | \$0.00 | \$0.00 |
| Bid Quantity / Price Combination 3 | 0 | \$0.00 | \$0.00 |
| Bid Quantity / Price Combination 4 | 0 | \$0.00 | \$0.00 |
| Bid Quantity / Price Combination 5 | 0 | \$0.00 | \$0.00 |
| Bid Quantity / Price Combination 6 | 0 | \$0.00 | \$0.00 |
| Bid Quantity / Price Combination 7 | 0 | \$0.00 | \$0.00 |
| Bid Quantity / Price Combination 8 | 0 | \$0.00 | \$0.00 |
| Bid Quantity / Price Combination 9 | 0 | \$0.00 | \$0.00 |
| Bid Quantity / Price Combination 10 | 0 | \$0.00 | \$0.00 |

Posting Security

Due Date: As defined in the PSA

No security needs to be posted by a Proposer unless the bid award is greater than \$500,000 and the Proposer does not have an adequate credit rating to support the credit required for the PSA

Seller shall post such Security in the form of:

- Letter of Credit in the form of Appendix B in the PSA; or
- Guaranty in the form of Appendix C in the PSA; or
- Cash

Proposers shall receive back a corresponding percentage of the Security upon Delivery of the 2024 RECs based on the percentage of RECs Delivered

Evaluation Process

Part 1 – Proposal Qualification

Proposal Qualification

- The RFP Manager will review each proposal to confirm it
 - was received on time
 - it contains the required documents (Credit Application, Qualification Proposals) fully completed
- RFP Manager may ask clarifying questions of a Proposer via email to complete its review
- Time is of the essence and failure to respond or late response to any such request may result in a Proposal not being qualified

Evaluation Process

Part 2 – Bid Price

Bid Price Stacking and Selection

- The RFP Manager will:
 - sort qualified Price/Quantity bids by price
 - Select Price/Quantity bids by price up to the target quantities sought by FirstEnergy Ohio Utilities in this RFP
- In the event of “tied” Price/Quantity the bids preference will be:
 - (i) projects that are physically located within the State of Ohio; and
 - (ii) the larger volume Proposal
- All Price/Quantity bids will be considered an offer to supply any quantity up to the quantity specified in the bid. If selection of the next incremental bid in terms of price exceed the Target Quantity, the selection would be limited to the amount remaining to fulfill the Target Quantity

Executing the PSA

After Part 2 of the Evaluation process, FirstEnergy Ohio Utilities will prepare a PSA that incorporates information from Winning Proposals

PSA(s) will be sent to winning Proposers via email

- Winning Proposer shall execute and return the applicable PSA to FirstEnergy Ohio Utilities via email with a PDF of the executed PSA by November 18, 2024

FAQ Process

Questions about the RFP should be submitted by potential Proposers to the RFP Manager at feouRECrfp@crai.com or via the Ask section of the Information Website

Questions can be submitted on or before the FAQ Deadline of Thursday, October 24, 2024 at 5:00 PM EPT

Responses to questions will be posted no later than Monday, October 28, 2024 to the FAQs section of the RFP information website

While the RFP Manager and FirstEnergy Ohio Utilities will review and attempt to answer all questions, the RFP Manager and FirstEnergy Ohio Utilities reserve the right to refrain from answering questions at their discretion

Timeline for the FEOU REC RFP

| Event | Date |
|---|----------------------------------|
| Issue RFP Documents | Thursday, September 26, 2024 |
| RFP Overview Webinar (11:00 AM) | Thursday, October 3, 2024 |
| FAQ Deadline (5:00 PM) | Thursday, October 24, 2024 |
| FAQ Responses Posted on Website | Monday, October 28, 2024 |
| Credit Application, Qualifying Application and Bid Price Proposal Submission Due Date (12:00 PM) | Tuesday, November 5, 2024 |
| Notification of Successful Proposer Award(s) | Thursday, November 14, 2024 |
| Executed PSAs (PDFs) due back | Monday, November 18, 2024 |
| Posting of Security (if applicable) | Monday, November 28, 2024 |

Q&As

Following the prepared presentation

- Questions received and queued during the prepared presentation will be answered in the following order:
 - Email
 - Zoom Q&A Feature
 - Attendees will only be able to see their own questions submitted

Q&As raised during this bidder information session will be posted on the Information Website

Thank you for your interest in the REC RFP process