



MARINHA DO BRASIL
COMISSÃO NAVAL BRASILEIRA EM WASHINGTON

AUTUAÇÃO

Documento Circunstanciado, NUP: 63150.002405/2022-01, atuado na data de 30 de setembro de 2022, destinado à contratação da empresa PEPCO para fornecimento de energia elétrica para as instalações da CNBW, contendo 004 folhas:

- a) Documento Circunstanciado 007/2022 às Fls. 001 a 002v; e
- b) Contrato de Adesão, às Fls. 003 a 004v.

Washington DC, 05 de outubro de 2022.

Assinatura manuscrita em azul de Antonio Luiz do Nascimento Abreu.

ANTONIO LUIZ DO NASCIMENTO ABREU

Capitão de Corveta(AA)

Encarregado da Divisão de Material e Serviços Gerais



MARINHA DO BRASIL
COMISSÃO NAVAL BRASILEIRA EM WASHINGTON

DOCUMENTO CIRCUNSTANCIADO Nº 007/2022

NUP: 63150.002405/2022-01

1. OBJETO

Contratação do serviço de fornecimento de energia elétrica, de forma a garantir a infraestrutura necessária para o desenvolvimento das atividades e funcionamento da Comissão Naval Brasileira em Washington (CNBW).

2. CARACTERIZAÇÃO DA NECESSIDADE QUE JUSTIFICOU A AQUISIÇÃO DO SERVIÇO

Justifica-se a contratação dos serviços de fornecimento de energia elétrica, diante da necessidade, permanente, dos referidos serviços essenciais, para a garantia de infraestrutura do funcionamento adequado desta Comissão Naval, a serem prestados de forma contínua. Além disso, trata-se de serviço essencial e sua interrupção pode comprometer a saúde das pessoas, impactando no funcionamento regular da instituição.

A Pepco é a principal fornecedora de energia dos Estados Unidos, com aproximadamente 10 milhões de clientes. A Pepco fornece serviço de energia seguro e confiável para aproximadamente 894.000 clientes no Distrito de Columbia e Maryland.

Por haver impossibilidade de competição nos serviços de fornecimento de energia elétrica, e por se tratar de valor até U\$50,000.00, faz-se necessária a contratação direta por dispensa de licitação da empresa PEPCO, conforme previsto no inciso I, art. 27 da Portaria GM-MD nº 5.175, de 15 de dezembro de 2021.

Desta sorte, a Dispensa de licitação é a via adequada e efetiva para a aquisição de bens e evitar prejuízos à Administração Naval, em razão da descontinuidade do fornecimento de água potável para a tripulação desta Comissão Naval.

Assim sendo, resulta configurada a situação de dispensa descrita no inciso I, do artigo 27 da Portaria nº 5.175, de 15 de dezembro de 2021:

“Art. 27. É dispensável a licitação no exterior:



I - para a aquisição de bens ou contratação de serviços que vise a atender ao funcionamento e manutenção do próprio órgão ou de outras unidades por ele suportadas, desde que também sediadas no exterior, no valor de até US\$ 50,000.00 (cinquenta mil dólares americanos) ou o equivalente em outra moeda;" (grifo nosso)

Diante do exposto, de sorte a evitar grave prejuízo a esta Comissão Naval, a contratação direta por dispensa de licitação é a única medida eficaz e imediata para resolver a necessidade de manutenção do fornecimento de água potável para a tripulação.

3. PLANEJAMENTO DA CONTRATAÇÃO

A demanda foi apresentada pela Divisão de Material e Serviços Gerais da Comissão Naval Brasileira em Washington a fim de manter a infraestrutura adequada ao funcionamento desta Organização Militar.

A contratação encontra-se prevista no Programa de Aplicação de Recursos da CNBW (evento PAR 3943.1) aprovado em reunião do Conselho de Gestão, estando, dessa forma, alinhada com o planejamento realizado.

4. DETERMINAÇÃO DE UNIDADES E QUANTIDADES A SEREM ADQUIRIDAS

Trata-se de serviço de natureza contínua a ser prestado de acordo com a demanda da CNBW.

5. ESTIMATIVA DA DESPESA

O preço estimado anual deste contrato é de US\$ 43,000.00 (quarenta e três mil dólares) de acordo com a quantidade de energia elétrica, utilizada ao mês, acrescida das taxas devidas, aferido pela média de consumo no período dos últimos 12 meses, conforme histórico de contas e suas faturas.

A despesa mensal varia de acordo com a época do ano, uma vez que o sistema de ar condicionado é movido à energia elétrica, diferentemente do aquecimento que é a gás. Neste caso, o consumo durante o verão é maior, com média estimada em US\$ 4,700.00 (quatro mil e setecentos dólares), enquanto que no inverno, a média estimada é de US\$ 2,500.00 (dois mil e quinhentos dólares).

A CNBW encontra-se em processo de substituição do sistema de ar condicionado, por outro mais moderno e, conseqüentemente, econômico. Dessa forma, há a tendência de diminuição do consumo e custos com o referido serviço.



6. VALOR UNITÁRIO E/OU GLOBAL

O preço estimado anual deste contrato é de US\$ 43,000.00 (quarenta e três mil dólares).

7. PRAZO DE ENTREGA OU CONCLUSÃO DO OBJETO

O objeto será entregue de modo contínuo, conforme demanda da CNBW, com prazo de vigência do contrato de 1 ano, podendo ser prorrogado até o limite de 60 (sessenta) meses, com base no inciso II, do art. 55 da Portaria GM-MD nº 5.175, de 15 de dezembro de 2021.

8. EVENTUAL PRESTAÇÃO DE ASSISTÊNCIA TÉCNICA NO PERÍODO E GARANTIA DO OBJETO

O serviço de fornecimento de energia elétrica deverá ser prestado continuamente durante todo o ano de 2022.

A prestação de serviço deverá observar os termos do contrato de adesão, sem atrasos, interrupções ou falhas, salvo na superveniência de fato excepcional ou imprevisível, estranho à vontade das partes, que altere fundamentalmente as condições de execução do serviço, quando deverão ser comunicados tão logo ocorram, para que possam ser analisados quanto à pertinência.

A aceitação do serviço não impede a constatação da existência de vícios e não isenta a empresa de obrigações deles decorrentes.

O contrato será fiscalizado pelo CC (AA) Antonio Luiz do Nascimento Abreu.

9. CONDIÇÕES DE GUARDA E ARMAZENAMENTO

Não se aplica, face se tratar de prestação de serviço.

10. PRAZOS PARA LIQUIDAÇÃO E PAGAMENTO

O pagamento será realizado após a devida liquidação, conforme dispõe a Lei nº 4.320, de 17 de março de 1964.

As faturas emitidas pela CONTRATADA devem estar em conformidade estritamente com o Contrato de adesão e com qualquer alteração que possa ter sido acordada e assinada pelas partes.

Os serviços públicos, fornecidos por meio de concessionária, formalizam-se como típicas relações contratuais, de modo que, no momento em que deles se utiliza, está de certa forma aderindo às condições que lhe são impostas pelo prestador do serviço, na forma de contrato de adesão, dando ensejo à remuneração devida;

A CONTRATADA deverá encaminhar à CNBW a fatura do fornecimento correspondente à leitura do período de consumo abrangido, com o respectivo preço e com prazo de pagamento,



também por meio do e-mail cnbw.services@marinha.mil.br, contendo as informações bancárias para pagamento.

11. DEMONSTRAÇÃO DA COMPATIBILIDADE DA PREVISÃO DE RECURSOS ORÇAMENTÁRIOS COM O COMPROMISSO A SER ASSUMIDO

- a) Gestão/Unidade: 0001 / 70200 - CNBW
- b) AO: 2000 Administração da unidade
- c) Ação Interna: G483FC1
- d) Elemento de despesa: 33903943

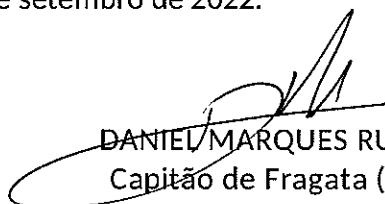
Há previsão orçamentária no PA aprovado para 2022.

12. CONCLUSÃO

Em face do exposto e da documentação apresentada, sugere-se que o objeto seja contratado, com base no art. 1º, § 2º, da Lei nº 14.133, de 1º de abril de 2021, combinado com o Art. nº 27, inciso I da Portaria GM-MD nº 5.175, de 15 de dezembro de 2021.

Elaborado por:

Washington, DC, 30 de setembro de 2022.

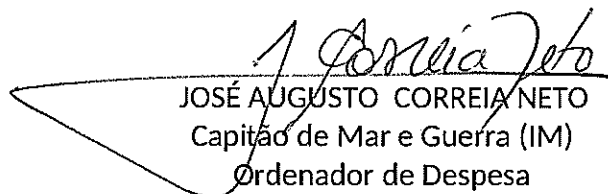


DANIEL MARQUES RUBIN
Capitão de Fragata (FN)
Chefe do Departamento de Administração e Apoio

13. ATO DE AUTORIZAÇÃO DA CONTRATAÇÃO DIRETA:

Aprovo a contratação prevista neste Documento Circunstanciado, sendo entendido como viável e razoável à luz das justificativas apresentadas.

Washington DC, 30 de setembro de 2022.



JOSÉ AUGUSTO CORREIA NETO
Capitão de Mar e Guerra (IM)
Ordenador de Despesa



NATURAL GAS, GREEN-E® CLIMATE CERTIFIED CARBON OFFSETS, ELECTRIC POWER SUPPLY SERVICE
AND
GREEN-E® ENERGY CERTIFIED RENEWABLE ENERGY CREDITS
PURCHASE AND SALES BASE AGREEMENT Between
WGL Energy Services, Inc.
and
Brazilian Naval Commission

THIS BASE AGREEMENT FOR THE PURCHASE AND SALE OF GREEN-E® CLIMATE CERTIFIED CARBON OFFSETS, NATURAL GAS, ELECTRIC POWER SUPPLY SERVICE AND GREEN-E® ENERGY CERTIFIED RENEWABLE ENERGY CREDITS is made effective 6/17/2019 ("Effective Date") by and between WGL Energy Services, Inc. ("Seller") and Brazilian Naval Commission ("Buyer"). Buyer may purchase and Seller may sell natural gas, Green-e® Climate Certified Carbon Offsets, electric power supply service, and Green-e® Energy Certified Renewable Energy Credits ("RECs") in accordance with the terms of this Base Agreement and executed Confirmations (together "Agreement"). In the event of a conflict between this Base Agreement and an executed Confirmation, the executed Confirmation will prevail.

I. EFFECTIVENESS

This Base Agreement shall supersede any prior base agreement executed by the Parties; provided that any confirmation that is in effect at the time of the execution of this Base Agreement shall continue to be subject to the terms and conditions of the applicable prior base agreement until the term of such confirmation expires. The terms and conditions of this Base Agreement shall apply to any Confirmation agreed to by Buyer and Seller pursuant to Section VI below, and this Base Agreement shall remain in effect, notwithstanding any intervening periods of time during which no Confirmation is in effect, unless canceled by either party upon thirty days notice to the other; provided that any Confirmation that is in effect at the time of such notice of termination shall remain in effect until the term of that Confirmation expires. This Base Agreement shall apply to the purchase and sale of natural gas, Green-e® Climate Certified Carbon Offsets, electric power supply service or "RECs", as the case may be, each a separate commodity. Each of the foregoing commodities may be purchased separately and independent of each other, or jointly in the case of bundled electric power supply service and "RECs" and in the case of bundled natural gas and Green-e® Climate Certified Carbon Offsets, by Confirmation applicable to the particular purchase.

II. DELIVERY, TITLE TRANSFER, GREEN-E® ENERGY CERTIFIED RENEWABLE ENERGY CREDITS AND GREEN-E® CLIMATE CERTIFIED CARBON OFFSETS

A. Delivery Point. The Delivery Point for all natural gas sold hereunder is the point of interconnection between the transporting interstate pipeline and the Local Gas Distribution Company (LDC) in whose territory Buyer is located. The Delivery Point for all electric power supply service sold hereunder shall be the point of interconnection between the applicable transmission service provider's transmission system and the Local Electric Distribution Company (EDC) in whose territory Buyer is located. Seller will schedule natural gas or electric power supply service, as the case may be, to the Delivery Point for Buyer's account.

B. Title Transfer. Title to all natural gas and electric power supply service will pass from Seller to Buyer at the Delivery Point. Seller warrants that it shall have good and marketable title to the natural gas and electric power supply service to be delivered under this Agreement. Seller further warrants that it shall have good and marketable title to all "RECs" and Carbon Offsets that it shall sell to Buyer hereunder, that "RECs" shall be registered with, transferred from and retired on the tracking system of a regional transmission organization or shall be transferred by contract-path auditing and through recognized tracking systems, and that Carbon Offsets shall be registered with, transferred from and retired on a legally binding carbon offset tracking Registry. A Registry is defined as a voluntary, auditable, carbon offset tracking registry that is responsible for registering, transferring, trading and retiring carbon offsets

C. Delivery to Buyer's Facilities. Delivery of natural gas and electric power supply service to Buyer's facilities shall be by separate delivery service agreement between Buyer and Buyer's LDC/EDC and shall be subject to the applicable tariffs of Buyer's LDC/EDC. Buyer will be responsible for paying all LDC/EDC charges associated with the delivery of natural gas and electric power supply service from the Delivery Point to Buyer's facilities; Seller is not a party to Buyer's delivery service agreements with Buyer's LDC/EDC.

D. Notice Obligations. Each party agrees to notify the other of circumstances that may affect the delivery of natural gas and electricity supply service by Seller and the consumption of natural gas and electricity by Buyer.

E. Balancing. Balancing of natural gas deliveries at the Delivery Point shall be in accordance with applicable tariffs of Buyer's LDC. If an imbalance penalty is assessed by Buyer's LDC, the party causing the penalty will be responsible for paying the penalty.

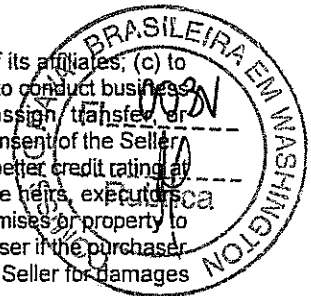
F. Green-e® Energy Certified Renewable Energy Credits. "RECs" are the environmental attributes associated with Green-e® Energy Certified renewable energy credits produced by wind. A purchase and sale of "RECs" is not a purchase and sale of the electricity itself.

G. Green-e® Climate Certified Carbon Offsets Green-e® Climate Certified Carbon Offsets represent the reduction of a specific quantity of greenhouse gas (GHG) emissions. By purchasing these offsets, Buyer alone has the right to all associated claims about the environmental benefits they embody. Carbon offsets are to be regarded as a real environmental commodity, not a donation or investment in a future emissions reduction project. The verified GHG emissions reductions Buyer purchased are sourced from projects that have been validated and registered under high-quality project standards. Inclusion of Exhibit F indicates that standalone carbon offsets are purchased, inclusion of Exhibit G(a) or G(b) indicates that natural gas bundled with carbon offsets are purchased and an inclusion of an Attachment B indicates that a customer is engaged in a multiyear purchase agreement. A purchase and sale of Green-e® Climate Certified Carbon Offsets is not a purchase and sale of the natural gas itself.

III. AGENCY

Buyer appoints Seller to act as Buyer's agent in accordance with this provision. Buyer authorizes Seller to obtain information about Buyer's LDC/EDC account (e.g.; account numbers, billing history, payment history, historical usage, projected usage, meter readings and characteristics of service), to make nominations, to schedule, to balance, to make settlement, to obtain Buyer's credit and payment information, and to perform all duties necessary to deliver natural gas, Green-e® Climate Certified Carbon Offsets, electric power supply service or "RECs", as the case may be, to Buyer.

IV. BILLING, PAYMENT, CREDIT AND TAX



F. Assignment. Seller may transfer, assign or sell this Agreement: (a) in connection with any financing; (b) to any of its affiliates, (c) to anyone succeeding in interest to all or substantially all of Seller's assets or business; or (d) to another supplier licensed to conduct business in the State where Buyer's facilities serviced by Seller pursuant to this Agreement are located. Buyer may not assign, transfer, or subcontract this Agreement, nor any interest in this Agreement, nor delegate duties hereunder, except upon written consent of the Seller, which shall not be unreasonably withheld. Buyer may however assign this Agreement to an affiliate that has the same or better credit rating at the time of assignment without such consent. This Agreement shall inure to the benefit of, and be binding upon, the heirs, executors, administrators, and successors of the respective parties. If during the effectiveness of this Agreement, Buyer sells a premises or property to which natural gas or electric power supply is being delivered hereunder, Buyer may assign this Agreement to the purchaser if the purchaser has the same or better credit rating as Buyer at the time of assignment; otherwise, Buyer shall be subject to liability to Seller for damages under Section VII B hereunder.

G. Waiver. No waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent breach. Unless expressly provided otherwise in this Agreement, all remedies afforded in this Agreement shall be taken and construed as cumulative in addition to every other remedy provided herein or by law.

H. Governing Law. Buyer and Seller agree that, in the event of a dispute, this Agreement shall be governed by the laws of the jurisdiction (Maryland, Virginia, Delaware, Ohio, Pennsylvania or District of Columbia) where Buyer's facilities, being served by Seller, are located. If Buyer has facilities being served by Seller in two or more of the jurisdictions noted above, the laws of the jurisdiction where Buyer's facility with the highest annual natural gas and electricity usage is located shall govern.

I. WGL Energy Services Qualifications. WGL Energy Services is a subsidiary of WGL Holdings, Inc., and an affiliate of Washington Gas Light Company. WGL Energy Services is licensed by the Maryland Public Service Commission to sell natural gas (MD License No. IR 324) and electricity (MD License No. IR 227) in the State of Maryland, is licensed by the Virginia State Corporation to sell natural gas (VA License No. G-8) and electricity (VA License No. E-6) in the Commonwealth of Virginia, is licensed by the Delaware Public Service Commission to sell natural gas and electricity in the State of Delaware (DE License No. 6042), is authorized by the D.C. Public Service Commission to sell natural gas (License No. GA03-3) and electricity (License No. EA-00-6) in the District of Columbia, and is licensed by the Pennsylvania Public Utility Commission to sell electricity (PA License No. A-110158) and natural gas (PA License No. A-2010-2176410) in the State of Pennsylvania and is certified by the Ohio Public Utilities Commission to sell electricity (Certificate Number 19-1351E(1) and is certified by the Ohio Public Utilities Commission to sell electricity (Certificate Number 19-1351E(1)).

J. Emergencies. In the event Buyer experiences an electric-related or natural gas-related emergency such as a power outage or gas leak, Buyer should immediately call its LDC/EDC.

BUYER CONTACT INFORMATION

Buyer's Full Legal Name: Brazilian Naval Commission
Buyer's Representative: Leandro de Lima Santos Title: Commander

Address: 5130 MacArthur Blvd Washington DC 20016
Telephone: 202-244-3950 Fax: Email Address: lima.samtps@maromja.mil.br

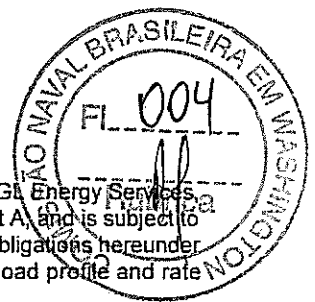
WGL Energy Services CONTACT INFORMATION

WGL Energy Services Representative: Karen Pinder-McDuffie Title: Account Manager
WGL Energy Services Address: 400 E Pratt Street Suite 710 Baltimore MD 21202
Phone: 410-209-2440 Fax: 410-209-2462

This Agreement is agreed to on the date first written above by:

Seller: WGL Energy Services, Inc. Buyer: Brazilian Naval Commission
By: Clinton S. Zediak, Jr., Vice-President Tax Exempt: Yes No
Date: By: [Signature]
Print Name: ANDRÉ LUIS FERREIRA DA SILVA
Title: Capitão de Mar e Guerra (IM)
Date: 08-07-2019 Presidente

**EXHIBIT DS - CONFIRMATION
FIRM ELECTRIC POWER SUPPLY**



THIS FIRM ELECTRIC POWER SUPPLY CONFIRMATION is transmitted to Brazilian Naval Commission ("Buyer") by WGL Energy Services Inc. ("Seller") this 7/30/2019 for the sale and delivery of Buyer's full requirements for all accounts listed on Attachment A, and is subject to the terms and conditions of the Sales Base Agreement executed by both parties. Buyer agrees that Seller's delivery obligations hereunder are subject to, and depend upon, verification by Buyer's Utility that the accounts herein meet the requisite Utility load profile and rate classification.

Buyer agrees to use its best efforts to inform Seller of any changes that will have a material effect on the load of the accounts served under this Confirmation.

TYPE OF SERVICE

Buyer will purchase and Seller will sell Electric Power Supply Service to the Delivery Point for Buyer's account which shall include all necessary (a) electric energy and congestion services obtained from wholesale suppliers active in the energy market administered by PJM, (b) generation capacity obtained from generators that participate in Reliability Pricing Model auctions conducted by PJM, (c) network integrated transmission service including enhancements provided by transmission providers subject to the PJM Open Access Transmission Tariff (OATT), (d) ancillary services provided by PJM for reliability including reactive services, reserves and services provided by Reliability Must Run units designated by PJM, (e) auction revenue right credits administered by PJM ("PJM Costs" are defined as (b) through (e)) and (f) energy deliveries that comply with applicable State Renewable Portfolio Standards and local utility tariff requirements ("Utility Costs"). Seller is obligated to deliver and Buyer is obligated to purchase said electricity supply service under all circumstances except Force Majeure.

(a) In the event of a sale of any Location(s) at which Covered Services are being provided under this Exhibit DS, then at any time prior to the completion of closing of the sale Buyer shall give written notice (the "Location Termination Notice") to Seller to exercise the right of termination of this Agreement as to that Location, pursuant to this (reference). The Location Termination Notice shall state: (1) the identity of and account number(s) for the Location which is the subject of the sale (the "Sold Location"), (2) that there is a bona fide letter of intent or contract of sale for the Sold Location, and (3) the bona fide anticipated closing date of the sale. The Location Termination Notice may be withdrawn by written notice to Seller prior to anticipated closing date and must be withdrawn, by written notice to Seller, if closing does not occur and title to the Location is not transferred. In such event, this (comparable reference) shall remain in effect as to that Location.

(b) If the Location Termination Notice is given, this Agreement shall terminate as to the Sold Location as of the completion of closing of the sale of the Sold Location. Buyer shall give to Seller written notice of the actual occurrence and date of the completion of closing of the sale of the Sold Location, in which case the termination shall not be deemed a default. If no Location Termination Notice is provided to Seller prior to the closing date of a Sold Location, section VII – B. Default and Remedy will remain in full force and effect.

(c) Buyer shall pay to Seller the amount billed by Seller for actual usage at the Sold Location through and including the date on which the respective account(s) are closed (defined as final meter read date and part of normal billing, not as an additional payment). Buyer shall pay a balance for the period after the closing of the sale of the Sold Location, which obligation to pay shall survive termination of this Agreement, and which is determined as follows: (i) if (1) the Location Termination Notice is given ninety (90) days or more prior to the actual closing date of the sale AND (2) if a final meter reading by the LDC occurs on or after the closing date of the sale, the account(s) shall be deemed closed as of the final meter read date and no balance for any period thereafter shall be payable in connection with the termination, or (ii) if subparagraph (c)(i) is not satisfied, then a post-account closing balance shall be payable for the period after the closing date of the account (referred to as the "Post-Account Closing Period") which additional amount Seller shall calculate, solely for the Post-Account Closing Period, based on Seller's damages under contract law for that period. The "Post-Account Closing Period" shall be the period beginning on the day after the account(s) closing date for the Sold Location and ending on the date which is ninety (90) days after the date on which the Location Termination Notice received by Seller, provided, that if pursuant to the terms of the LDC tariff for dropping accounts Seller, exercising its reasonable best efforts, cannot close the account(s) for the Sold Location by said ninetieth day, then the Post-Account Closing Period shall end on the date the account(s) for the Sold Location are closed by Seller, exercising its reasonable best efforts, pursuant to the LDC tariff.

Holdover Process:

Unless Buyer and Seller agree to execute a new confirmation, this Confirmation shall remain in effect on a month-to-month basis at an applicable Monthly Fixed Price for each subsequent monthly meter read period after the end of the initial Term of this Confirmation. Each Monthly Fixed Price shall be established the 25th day of the calendar month preceding the applicable calendar month of delivery. Either party may cancel such holdover confirmation either by executing a new confirmation, or by providing written notice of cancellation. Upon the provision of such notice by either Party, Seller shall terminate the confirmation in accordance with utility drop rules and procedures.

Buyer's Utility : Pepco

Billing:

If during the effectiveness of this Confirmation, Buyer's utility adopts purchase of receivables discount rates applicable to one or more of Buyer's accounts covered by this Confirmation that in Seller's sole discretion would increase Seller's costs, Seller shall have the right to notify and bill Buyer directly for deliveries to such accounts at no additional cost or change in payment terms to Buyer.

Tax:

Buyer must provide to Seller a tax exempt certificate or other documented evidence of Buyer's tax exempt status for accounts covered under this Confirmation prior to the effective account enrollment date. If Buyer fails to provide Seller such documentation, Seller shall be obligated to bill Buyer for the applicable sales tax.

Buyer Name: Brazilian Naval Commission

Buyer may choose one pricing option by signing on the Buyer's signature line directly under the pricing option(s) preferred.

Option 1

Term/Price - Fixed Price Capacity and Transmission Included

TERM:

From the September 2019 meter read date to the September 2020 meter read date. (12 months)

PRICE:**

For deliveries hereunder, Buyer shall pay Seller a Price equal to \$0.07184/kWh.

If at any time accounts served under this Fixed Rate Confirmation were converted from an executed LMP Rate Confirmation, this Fixed Rate Confirmation supersedes such LMP Rate Confirmation for the term specified above.

All prices quoted are subject to change prior to written confirmation by Seller. All prices are quoted at the Delivery Point, including line losses to the Buyer's facilities, in \$ per Kilowatt (kw) or Kilowatt-hour (kwh) unless otherwise noted. If after this Confirmation is executed, any of Seller's PJM Costs or Utility Costs significantly increase from the costs that underlie the Fixed Price because (1) FERC issues an order or PJM revises its OATT, an operating protocol, or market rule, (2) a PJM Emergency Operations Event occurs, (3) a change in law is enacted, or (4) the applicable Public Service Commission issues an order, or Buyer's utility revises its tariff, an operating protocol or market rule, then Seller shall pass through such cost increases to Buyer by separate monthly charge. Seller shall provide Buyer with supporting documentation and calculation upon request.

Prices quoted above for Pennsylvania Electric (PNL), Delmarva Power (DPL), and Pennsylvania Power (PPC) accounts exclude PJM Costs related to Reactive Service Charges which will be charged as a separate line item on Buyer's monthly bill.

To the extent Capacity and Transmission are included in the Price, Seller reserves the right to adjust the Price to reflect recovery of Capacity and Transmission costs attributable to (1) Buyer's participation in PJM Demand Response programs during the term of this Confirmation, or (2) increased Capacity and Transmission costs caused by the effect of any distributed generation and/or peak shaving devices which were in use at any time during the 12 months prior to this Confirmation. This condition does not apply to any emergency generation used solely in the event of a power outage.

This Confirmation is agreed to on the date first written above by:

Buyer's Signature: *[Signature]* Title: _____

Print Name: _____ Tax Exempt: Yes No _____ Date: 08-01-2019

ANDRÉ LUÍS FERREIRA DA SILVA
Capitão de Mar e Guerra (IM)
Presidente

