



FirstEnergy Service Company

As agent for

The Cleveland Electric Illuminating Company

Ohio Edison Company

The Toledo Edison Company

**Bidding Rules for Request for Proposals for
2015 Ohio Compliant Renewable Energy Credits and Solar
Renewable Energy Credits**

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Proposals Due: November 4, 2015

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1. Introduction

- 1.1 The Cleveland Electric Illuminating Company, Ohio Edison Company and The Toledo Edison Company, (“FirstEnergy Ohio Utilities”) are soliciting Proposals for purposes of complying with the renewable energy and solar energy resource requirements of R.C. 4928.01, R.C. 4928.64, and R.C. 4928.65 (“Ohio Law”) as amended pursuant to Senate Bill 310, This Request for Proposals (“RFP”) establishes FirstEnergy Ohio Utilities right to purchase from Qualified Proposers the Delivery of 6,800 Solar Renewable Energy Credits (“SRECs”) and 233,000 Renewable Energy Credits (“RECs”), collectively SRECs and RECs are referred to as Products in this RFP located within the State of Ohio or deliverable into the State of Ohio.
- 1.2 FirstEnergy Ohio Utilities has retained Navigant Consulting, Inc. (“RFP Manager”) as the solicitation manager for this RFP.
- 1.3 The terms and conditions of FirstEnergy Ohio Utilities’ purchases will be subject to a Purchase and Sale Agreement for Renewable Energy Credits (“PSA”).
- 1.4 This document, entitled the Bidding Rules for Request for Proposals for 2015 Ohio Compliant Renewable Energy Credits and Solar Renewable Energy Credits (“RFP Rules”), describes how the RFP will be conducted. The following documents are appended to, and shall be considered integral parts of these RFP Rules:
 - Bid Price Proposal
 - Communications Protocol
 - Confirmation of the PSA
 - Credit Application
 - PSA
 - Qualifying Application

- 1.5 This RFP process consists of a single round of bids, in which Qualified Proposers state the prices at which they are willing to Deliver SRECs or RECs and the number of SRECs or RECs that they are willing to Deliver. The evaluation of Bids from Qualified Proposers is on a price-only basis up to the amount requested under this RFP except in the event of a tie. In the RFP, the winning Bids will be those that minimize the overall cost of the procurement.
- 1.6 Recognizing that the magnitude of RECs or SRECs sales to FirstEnergy Ohio Utilities may affect financing or other commercial considerations for Qualified Proposers, “All-Or-Nothing” Bids will be allowed, such that Qualified Proposers will not be bound to supply RECs or SRECs in quantities other than those Bid. Section 9.2 (“Pricing Bids”) includes a description of how Bids designated by Qualified Proposers as “All-or-Nothing” are considered in the Pricing Bid phase of the Evaluation and how such designation may impact the selection of the Bid by the FirstEnergy Ohio Utilities.
- 1.7 Pursuant to the terms of the PSA, all RECs and SRECs bid into this RFP cannot be “Unit Contingent.” Successful Proposers must deliver the proposed quantities of RECs and SRECs by February 14, 2016.
- 1.8 FirstEnergy Ohio Utilities and the RFP Manager may postpone or modify the schedule of the RFP or modify parameters of the RFP, as further explained in Section 10.
- 1.9 Additional capitalized terms in this document, which are not defined explicitly herein, are defined in the PSA. The PSA is attached to the RFP. Key defined terms include the following:
- “Eligible Resource” means a renewable energy resource generating facility that has been certified by the Public Utilities Commission of Ohio (“PUCO”) to be eligible to create RECs or SRECs that may be used to comply with Ohio's alternative energy portfolio requirement. Instructions for filing an

application for certification as an Ohio renewable energy resource generating facility can be found on the PUCO website¹.

- “Proposal” means the formal submittal submitted in response to this RFP by prospective Proposers.
- “Proposers” means those entities which have submitted Proposals in response to this RFP.
- “Qualified Proposers” means those entities which have met the RFP Rules and have submitted a Proposal which has passed through Part 1 of the Evaluation and has proceeded to Part 2 for selection consideration.
- “Successful Proposers” means those entities whose Proposals have been selected by the RFP Manager and FirstEnergy Ohio Utilities pursuant to this RFP.
- “Target Quantity” means the amount of SRECs and RECs First Energy is seeking in this RFP.

2. Products

2.1 All RECs and SRECs proposed in this RFP must:

- be or have been derived from Eligible Resources;
- be or have been generated no earlier than January 1, 2013 and no later than December 31, 2015;
- be consistent with any and 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 14, 2016

¹ <http://www.puco.ohio.gov/puco/index.cfm/puco-forms/renewable-energy-resource-generating-facility-application-for-certification/#sthash.Q95I0bZh.dpbs>

via the PJM Environmental Information Services Inc.'s ("PJM-EIS") Generation Attributes Tracking System ("GATS"); and

- become the sole property of FirstEnergy Ohio Utilities.

3. REC Supplier Obligations

- 3.1 This section contains a general description of each Successful Proposer's obligations. This is a summary only and is subject to and qualified in its entirety by the PSA.
- 3.2 Firm Deliveries (Not Unit Contingent): each Successful Proposer must deliver the fixed number of RECs and/or SRECs awarded to FirstEnergy Ohio Utilities on or before February 14, 2016.
- 3.3 FirstEnergy Ohio Utilities will only accept RECs and SRECs from renewable energy resource generating facilities certified by the PUCO and generated through GATS. It will be incumbent on each Successful Proposer to open and maintain, at its own expense, a GATS account in order to satisfy the requirements of the PSA.
- 3.4 In the event a successful Proposer fails to secure the quantity of RECs or SRECs from the Eligible Resource that the Proposer originally planned to use to provide such RECs or SRECs, it is the obligation of the Proposer to Deliver to FirstEnergy Ohio Utilities the quantity of RECs or SRECs set forth in the PSA.
- 3.5 A Successful Proposer must provide GATS-generated certificates so that FirstEnergy Ohio Utilities may satisfy its reporting requirements. GATS, which was implemented in September 2005, is a regional environmental information tracking system that assists utilities and load serving entities in complying with renewable standards and provides state agencies with proper reporting and verification. This system creates certificates based on actual generation from

renewable energy resource generating facilities.

- 3.6 Failure of a successful Proposer to Deliver RECs or SRECs on or before February 14, 2016 will constitute an Event of Default under the PSA, and FirstEnergy Ohio Utilities has the right to purchase replacement RECs or SRECs and to charge Proposer for the costs, fees and expenses it subsequently incurs as a result of such Event of Default or any fines, penalties or charges imposed on FirstEnergy Ohio Utilities by the PUCO or any other governing body as a result of Proposer's failure to Deliver RECs or SRECs.

4. RFP Information

- 4.1 The RFP Manager has established a website located at <http://www.FEOhioRECRFP.com> that will be the primary source of information for the RFP. Prospective Proposers are encouraged to use this website for current information of this RFP and to access all RFP documents.
- 4.2 The RFP website provides information in the following sections:
- Announcements: This section provides announcements of interest to Proposers and to other interested parties regarding the RFP.
 - Documents: This section provides RFP documents including the RFP Bidder Rules, PSA, Communications Protocol, and Webinar Instructions. This section also provides all forms and applications necessary to submit a Proposal, including the Credit Application, Confirmation of PSA, Qualifying Application and Bid Price Proposal. Following the RFP Webinar, the Webinar presentation will be posted to this section of the RFP website.
 - Calendar: This section contains the RFP Calendar of Events.
 - Request Updates: This section allows interested parties to receive updates on the RFP via e-mail as they are issued.

- Q&A: Responses to questions received in this RFP will be posted to this section of the RFP website on the date set forth in Section 5 of this RFP. Registration is required to access this section to view the Q&A and ask questions.
- Q&A Registration: Provides the form necessary to register for access to the Q&A section. A username and password will be issued within 1 business day of registration.
- Contact Us: This section provides a means for all stakeholders, including prospective Proposers, to either ask a question or register to receive announcements directly from the RFP Manager via email.

5. Schedule of Events

5.1 The following is the target Schedule of Events for the RFP. FirstEnergy Ohio Utilities reserves the right to modify these dates at its sole discretion. In the event a change is made to this Schedule of Events a revised schedule will be posted on the RFP website.

Table 1 Schedule of Events

Event	Date
Issue RFP Documents	September 30
RFP Overview Webinar (11:00 AM ²)	October 7
FAQ Deadline (5:00 PM)	October 14
FAQ Responses Posted on Web site	October 21
Credit Application Acceptance Window Opens	October 28
Proposal and Credit Application Due Date (5:00 PM)	November 4
Notification of Successful Proposer Award(s)	November 11
Executed PSAs (PDFs) due back	November 13

²Unless noted otherwise, all times refer to Eastern Prevailing Time (“EPT”)

Executed PSAs (Hard Copy) due back	November 19
Posting of Security (if applicable)	November 19

5.2 **RFP Overview Webinar:** On October 7, 2015 at 11:00 AM, the RFP Manager, with FirstEnergy Ohio Utilities, will conduct an informational Webinar for prospective Proposers. During the Webinar, the RFP Manager will describe the RFP process and key terms of the PSA and prospective Proposers may submit questions electronically. Responses to questions submitted during the Webinar will be posted to the RFP Web site on October 21, 2015. Instructions for joining the RFP Overview Webinar are available on the “Supplier Documents” section of the RFP Web site, located at: <http://www.FEOhioRECRFP.com>.

6. General Proposal Requirements

- 6.1 A Proposal is an application to bid in the RFP. A prospective REC Supplier that submits any part of a Proposal for the RFP is a Proposer.
- 6.2 A complete Proposal consists of all of the following completed documents:
- Credit Application;
 - Qualification Application;
 - Bid Price Proposal(s); and
 - Confirmation of PSA.
- 6.3 Proposals which are incomplete or otherwise do not satisfy all requirements of this RFP will not be considered.
- 6.4 Proposals must be submitted by 5:00 PM on November 4, 2015.
- 6.5 Proposals must adhere to the terms and conditions of these RFP Rules and must fulfill all requirements of these RFP Rules. Proposals that do not adhere to the

terms and conditions of these RFP Rules or that do not fulfill all requirements set forth herein will not be considered.

- 6.6 An Officer of the Proposer is an individual empowered to undertake contracts and bind the Proposer. The Proposer will be required to provide the name, title, and full contact information (address, phone number, fax number, email address) of the Officer of the Proposer who will be making the representations in the Proposal.
- 6.7 It is the intention, but not the obligation, of FirstEnergy Ohio Utilities to enter into a PSA with each Successful Proposer to supply a portion of the quantities of Products sought, in accordance with these RFP Rules.
- 6.8 All information provided and certifications made in the Proposal must remain valid and remain in full force for no less than five (5) business days after close of bidding in the RFP. Regardless of the reason, if any information provided changes or any previous certification fails to remain valid, it is the sole responsibility of the Proposer to notify the RFP Manager of such change. Failing to do so may result in disqualification of the Bidder and the Proposal. The RFP Manager reserves the right to vary the assessment of the Proposal based on the revised information provided by the Proposer.

7. Proposal Requirements

- 7.1 To participate in the RFP, a prospective Proposer must meet the qualification requirements as detailed herein. These qualification requirements include providing contact information, financial information for a creditworthiness assessment, as well as making representations to ensure that the Proposer can perform under the terms of the PSA.
- 7.2 Credit Application: All Proposers must submit a credit application. Proposals

submitted without a Credit Application will not be considered. Credit Applications are evaluated by FirstEnergy Ohio Utilities and the RFP Manager to determine the amount of Security required under the PSA, if any. Security is determined, in part, by the total notional dollar value of each Proposal. To calculate the total notional dollar value of the RECs and/or SRECs proposed, multiply the quantity of RECs and/or SRECs by the proposed price. If the total notional dollar value of a PSA under this RFP is:

- less than \$500,000, no security is required unless special conditions apply to the Proposer (e.g., in bankruptcy) and only Credit Application sections I and III must be completed.
- greater than \$500,000 and if FirstEnergy Ohio Utilities has determined that Proposer does not have an adequate credit rating to support the credit required for the PSA, then the Proposer will post and maintain Security in an amount of 5% of the total notional dollar value of the PSA if selected as a successful Proposer.

If a successful Proposer is required to post security, it must do so by November 19, 2015. Forms of security which are acceptable to FirstEnergy Ohio Utilities are:

- Cash
- Letter of Credit: Appendix B to the PSA
- Guaranty: Appendix C to the PSA

Proposers with Proposals with a total notional dollar value of greater than \$500,000 may qualify for an Unsecured Credit Line (“UCL”). In order for entities to qualify for a UCL, Proposers must at minimum provide and demonstrate:

- That the entity providing security (parent or self) is a rated entity with a minimum credit rating, provided by either Moody’s, Fitch or Standard & Poor’s of Ba1 or BB+;

- Two audited financial statements for the previous two fiscal quarters
- The applicant and/or parent company is not operating under federal bankruptcy laws or bankruptcy laws in any other jurisdiction
- The applicant and/or parent company is not 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
- The applicant and/or parent company is not subject to collection lawsuits or outstanding judgments that could impact solvency

Notwithstanding the above, First Energy reserves to extend or withhold a UCL to the parties.

7.3 **Qualification Application:** A complete Qualification Application includes all of the following information:

- Name of Company, Address, and Company Representative (name, phone number, email address and fax number) and organizational structure (Corporation, LLC, Partnership) and description of principle business.
- Bank Account Information (Financial Institution ABA#, Account Number, and Account Name).
- Contact Information for Notices/Invoices (Name, Address, Phone Number, Fax and Email).
- List all affiliated companies, including holding companies, subsidiaries or predecessor companies presently or in the last four years engaged in selling RECs or SRECs or developing power supply projects, if any.
- List all lawsuits, regulatory proceedings, or arbitration in which the Proposer or its affiliates or predecessors have been or are engaged that could affect Proposer's performance of its Proposal or that is or was

related to a renewable energy auction or request for Proposals. Identify the parties involved in such lawsuits, proceedings, or arbitration, and the resolution or present status of such matters.

- Confirm that all Products proposed will meet all the requirements of RFP Section 2.1.

7.4 **Bid Price Proposal(s):** Each Bid Price Proposal must specify the Category and quantity of Products proposed for Delivery to FirstEnergy Ohio Utilities. Proposers may submit multiple Bid Price Proposals provided that each such Bid Price Proposal offers different quantities at different prices. Multiple Bid Price Proposals must be structured in a way that, should all Bid Price Proposals be selected, the Proposer is capable of Delivering all categories and quantities proposed.

7.5 **Confirmation of PSA:** Proposals must include a Confirmation of PSA form, signed by an authorized representative. Proposers must be able to meet all requirements of the applicable PSA(s) and all terms described in the PSA are considered final and non-negotiable.

8. Instructions for Preparation and Submittal of Proposals

8.1 Proposals must be received by the RFP Manager via email no later than 5:00 pm on November 4, 2015, without exception.

8.2 Any Proposal received after this deadline will not be considered. Proposers are solely responsible for the timely delivery of any submission for this RFP.

8.3 The RFP Manager will provide a confirmation of timely receipt to each Proposer via email. The email confirming timely receipt of the Proposal does not constitute an opinion on the completeness or qualification of a Proposal.

8.4 Proposals which are incomplete or otherwise do not satisfy all requirements of

this RFP will not be considered.

- 8.5 Submission of a Proposal constitutes a Proposer's agreement to accept the terms and conditions of this RFP.
- 8.6 To submit a Proposal send one e-mail to manager@FEOhioRECRFP.com with separate attachments for the following documents.
- **Signed Credit Application as a PDF file** (File name: COMPANY_DATE_CreditApp.pdf),
 - **Qualification Proposal** (File name: COMPANY_DATE_Qualification)
 - **Signed Acceptance of Purchase and Sale Agreement as a PDF file** (File name: COMPANY_DATE_Acceptance_REC_Agreement.pdf)
 - **Each separate Bid Price Proposal** (File name: COMPANY_DATE_Bid Price Proposal #_ REC CATEGORY)

9. Evaluation Process

9.1 Part 1 – Proposal Qualification: During Part 1, the RFP Manager

- Reviews each Credit Application along with FirstEnergy Ohio Utilities credit personnel to determine the amount of Security required under the PSA, if any.
- Reviews each Qualification Proposals and Confirmation of PSA to determine whether each Proposal is complete; demonstrates that all Products proposed will meet all the requirements of RFP Section 2.1; and confirms that each Proposer accepts the terms and conditions of the PSA without exception.
- Reserves the right to 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.
- Has no obligation to inform any Proposer of any deficiency in its Proposal.

9.1.1 Any information submitted by a Proposer not in response to a request which is

not in the nature of a correction or clarification to the Proposal will not be considered.

9.1.2 Proposers are obligated to immediately notify the RFP Manager of any information in a Proposal that is no longer valid or true.

9.2 Part 2 – Pricing Bid Evaluation:

9.2.1 Only Proposals that have satisfied the qualification requirements of Part 1 are eligible for Part 2.

9.2.2 Pricing Bids are sorted by Product (SREC/REC) and then by price. Proposals are selected on the basis of the low cost combination of bids to meet the Target Quantity.

9.2.3 Unless a Proposal is designated as “All or Nothing” by the Proposer, Bids will be considered an offer to supply any quantity up to and including the quantity specified in the Bid.

9.2.4 If the next incremental Proposal exceeds the Target Quantity, the Proposal may be skipped in favor of the next incremental Proposal in order of price if the Proposal is “All-Or-Nothing” and such selection would result in an over-procurement of RECs or SRECs and would result in a higher overall procurement cost. Table [X] below contains two illustrative “All-Or-Nothing” Bid Scenarios. In both *illustrative scenarios* in Table {X} below, FirstEnergy Ohio Utilities is seeking a quantity of 15 RECs.

Table X: Illustrative “All-Or-Nothing” Bid Scenarios

		Scenario A: All-or-nothing included in low-cost combination		Scenario B: All-or-nothing excluded from low-cost combination	
Bid	Bid Type	Quantity	Price	Quantity	Price
#1	“Up to”	6	\$50	6	\$50
#2	“Up to”	5	\$60	5	\$60
#3	“Up to”	2	\$90	2	\$75
#4	“All-or-nothing”	4	\$100	4	\$100
#5	“Up to”	2	\$150	2	\$105
Low Cost Combination		15	\$66.67	15	\$64.00
Excluded bids in each scenario are shaded in gray.					

Scenario A: The combination of bids that minimizes the cost of the procurement includes the all-or-nothing Bid. The total cost with the All-Or-Nothing bid is \$1,000 for 15 RECs for an average cost of \$66.67/REC. Had the All-Or-Nothing bid been skipped, the total cost would have been \$1,080 for 15 RECs for an average cost of \$72/REC. In this case, the selection excludes Bid #3 and Bid #5 (where excluded Bids are shaded in gray).

Scenario B: The combination of bids that minimizes the cost of the procurement excludes the all-or-nothing Bid. The total cost without the All-Or-Nothing bid is \$960 for 15 RECs for an average cost of \$64/REC. Had the All-Or-Nothing bid been included, the total cost would have been \$1,000 for 15 RECs for an average cost of \$66.67/REC. In this case, the selection excludes Bid #4 (where excluded Bids are shaded in gray).

- 9.2.5 In the event of “tied” Pricing bids (e.g., bids with the same offer price) preference will be given to (i) projects that are physically located within the State of Ohio and (ii) the larger volume Proposal.
- 9.2.6 The RFP Manager will provide the results from Part 2 to FirstEnergy Ohio Utilities.
- 9.2.7 FirstEnergy Ohio Utilities reserves the right to select more or fewer than the Target Quantity sought in this RFP. FirstEnergy Ohio Utilities reserves the right to limit the total amount from any one party in order to preserve a diversity of suppliers.

Execution of PSA(s):

- 9.3 FirstEnergy Ohio Utilities will prepare a PSA with information from each successful Proposer(s) Qualification and Bid Price Proposals and transmit such completed copies to the applicable Proposer via email.
- 9.4 Each Successful Proposer must execute and return the PSA to FirstEnergy Ohio Utilities in the form of a PDF attached sent via email within one (1) Business Day; and a hard copy to be delivered within three (3) Business Days.

- 9.5 Proposers who have particular difficulties with these requirements may make special arrangements with the RFP Manager.
- 9.6 **Disqualification:** Failure of a successful Proposer to execute and provide FirstEnergy Ohio Utilities with the PSA via PDF and hard copy or failure to provide the required security instruments to FirstEnergy Ohio Utilities within the required time period may result in the disqualification of such Proposal and selection of the next proposal(s) in terms of Bid price.

10. Conditions

- 10.1 This RFP includes and imposes certain restrictions on communications between FirstEnergy Ohio Utilities or the RFP Manager and Proposers. A Proposer is restricted from making contacts (e.g., oral, written or electronic communication) which a reasonable person would infer as an attempt to unduly influence the award, denial, or amendment of a contract from the issuance of this RFP through the final award and approval of the resulting PSA(s) to any FirstEnergy Ohio Utilities staff or the RFP Manager other than as designated herein. For questions related to this RFP, please contact the RFP Manager by email at manager@FEOhioRECRFP.com.
- 10.2 **RECs/SRECs Only:** PSA(s) executed pursuant to this RFP will be for RECs and SRECs only. FirstEnergy Ohio Utilities will not take title under this RFP to any energy or capacity generated by the solar or renewable generating facility generating the RECs or SRECs purchased by FirstEnergy Ohio Utilities. Proposers will be responsible for undertaking all activities and paying all costs and charges associated with developing, permitting, and operating any renewable energy facility that may be owned by, or under contract to Proposer, and delivering energy associated with the purchased RECs or SRECs to an

interconnection point within the MISO or PJM Interconnection grid.

- 10.3 **Confidentiality:** The RFP Manager and FirstEnergy Ohio Utilities will take reasonable precautions and efforts to maintain the confidentiality of Proposer's Proposal. Proposers should clearly identify each page of information that the RFP Manager and FirstEnergy Ohio Utilities should consider to be confidential or proprietary. Regardless of such markings, confidential information may be subject to review by the PUCO, or other governmental authority or judicial body relating to these matters and may be subject to legal discovery. Under such circumstances, FirstEnergy Ohio Utilities will make all reasonable efforts to protect Proposer's confidential information.
- 10.4 **Costs:** Neither FirstEnergy Ohio Utilities nor the RFP Manager will have any responsibility whatsoever with respect to the costs incurred by any Proposer in considering or responding to this RFP, including but not limited to (i) any costs of preparing any materials submitted to the RFP Manager or FirstEnergy Ohio Utilities; (ii) any costs associated with any studies, permits, or other agreements contemplated by this RFP; (iii) any costs associated with any renewable energy facilities; (iv) any costs associated with financing, employees or consultants, or real property; or (v) any costs associated with establishing, administering and maintaining GATS accounts, as applicable, sufficient to accomplish the Delivery of RECs to FirstEnergy Ohio Utilities.
- 10.5 **Disclaimer:** Neither the RFP Manager nor FirstEnergy Ohio Utilities makes any representation or warranty regarding the accuracy or completeness of the information contained in this RFP and its exhibits or any statements made by representatives of the RFP Manager or FirstEnergy Ohio Utilities during the RFP

process. Each Proposer is responsible for making its own evaluation of information and data contained in this RFP and in preparing and submitting responses to this RFP. The issuance of this RFP and the receipt of information in response to this RFP will not, in any way, cause the RFP Manager or FirstEnergy Ohio Utilities to incur any liability (whether contractual, financial or otherwise) to any Proposer participating in the RFP process, and by submitting a Proposal, Proposer releases the RFP Manager and FirstEnergy Ohio Utilities from any and all claims, demands, actions, losses, liabilities, and expenses (including reasonable legal fees and expenses) relating to this RFP.

10.6 **Not an Offer:** This RFP is issued to elicit responses to FirstEnergy Ohio Utilities' inquiry and is not an offer. The issuance of the RFP and the submission of Proposer's information do not create any obligation upon FirstEnergy Ohio Utilities to buy goods or services from a Proposer, and FirstEnergy Ohio Utilities reserves the right to accept or reject any or all Proposals received. FirstEnergy Ohio Utilities also reserves the right to amend, suspend, or terminate the RFP process at any time, without reason and without liability, and makes no commitments, implied or otherwise, that this process will result in a business transaction with one or more Proposers. No contract or other binding obligation on FirstEnergy Ohio Utilities will be implied unless and until a PSA has been executed on terms and conditions acceptable to FirstEnergy Ohio Utilities. FirstEnergy Ohio Utilities also reserves the right to not execute PSAs with any or all Proposers should FirstEnergy Ohio Utilities determine, in its sole discretion, that such PSAs would not guarantee Delivery, would impose unreasonably high costs on FirstEnergy Ohio Utilities' customers and/or would violate existing regulatory rules or regulations.

10.7 **Non-conforming Proposals:** FirstEnergy Ohio Utilities and the RFP Manager reserve the right to reject any Proposal at any time on the grounds that it does not conform to the terms and conditions of this RFP or that Proposer has not complied with the requirements of this RFP.

10.8 **Interpretation:** Notwithstanding any provision of this RFP, in the event a PSA is executed between a Proposer and FirstEnergy Ohio Utilities, that agreement, as applicable, will control over any provision of this RFP. Capitalized terms used herein and not otherwise defined will have the definition set forth in the PSA.