

**FirstEnergy Ohio Utilities**  
**RFP for 2016 Ohio Compliant Renewable Energy Credits**

**Attachment 2: Credit Application**

**INSTRUCTIONS**

**All Proposers must submit a Application** Submit one PDF form of the Credit Application via email to [manager@FEOhioRECRFP.com](mailto:manager@FEOhioRECRFP.com). The Credit Application must be signed by an authorized representative of your company and provided in Adobe PDF format. If Proposer previously completed a Credit Application for any previous FirstEnergy Ohio Utilities Renewable RFP, Proposer is still required to complete a new Credit Application.

**Credit Application Window: October 31, 2016 but no later than November 7, 2016 at 5:00 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.*

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

Under the terms and conditions of the PSA (Article 5), a Proposer has the obligation to meet FirstEnergy Ohio Utilities' performance assurance or, alternatively, post and maintain Security in an amount of 5% of the total notional dollar value of the PSA if the total notional value of the Proposal exceeds \$500,000. Proposers who do not provide adequate credit information will be deemed ineligible and their Proposals will not be considered for further evaluation.

Credit Applications are used to determine the amount (if any) of Security required under the PSA. Security is determined, in part, by the total notional dollar value of each Proposal. To calculate the total notional dollar value of the RECs proposed, multiply the quantity of RECs by the proposed price for each REC Type offered. If the total notional dollar value of a PSA under this RFP is less than \$500,000, no security is required provided the Proposer has no special conditions (e.g., in bankruptcy).

If the total notional dollar value of the PSA is in excess of \$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 shall post and maintain Security in an amount of 5% of the total notional dollar value of the PSA.

If Proposer is rated by one of the standard credit rating agencies, the Proposer must provide documentation of such rating. If Proposer is not rated by one of the standard rating agencies, or if such rating is not adequate to qualify for a Unsecured Credit Line ("UCL"), the Proposer must provide a signed statement that it is willing to post security to meet the requirements of the REC

purchase (see Part III of this Credit Application). However, if the total notional dollar value of the Proposal under this RFP is less than \$500,000, no security is required provided the Proposer has no special conditions (for example, is in bankruptcy). We note that granting a UCL is at the discretion of FirstEnergy Ohio utilities in consultation with the RFP Manager. We strongly advise that Proposers plan in the event that their application for a UCL is denied and security is requested.

**FirstEnergy Ohio Utilities**  
**RFP for 2016 Ohio Compliant Renewable Energy Credits**  
**Credit Application Form**

**I. Proposer Information:**

**All Proposers must complete Section I**

Full Legal Name of Proposer					
Estimated Proposal Value (Mark One with X)		Greater than \$500,000:		Less than or equal to \$500,000:	
Type of Organization (Corporation, Corporate Subsidiary, Partnership, Other)					
State of Incorporation					
D&B DUNS #					
Web Site					
Years in Business					
Credit Risk Contact, Full Name and Business Title	Name				
	Title				
	E-Mail Address				
	Full Mailing Address				
	Telephone #				
	Fax #				
Full Legal Name of Parent Company of Proposer					
Will another party be providing a parental guarantee?	<<Yes/No>>				
	Party				
	Contact person				
	E-Mail Address				
	Phone				
Is the applicant and/or its parent company operating under federal bankruptcy laws or bankruptcy laws in any other jurisdiction?	Applicant	<<Yes/No>>			
	Parent	<<Yes/No>>			

Is the applicant and/or parent company 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?	Applicant	<<Yes/No>>
	Parent	<<Yes/No>>
Is the applicant and/or parent company subject to collection lawsuits or outstanding judgments that could impact solvency?	Applicant	<<Yes/No>>
	Parent	<<Yes/No>>
For all questions marked "YES" above, please explain further here.		
Proposers are required to provide a statement below disclosing existing, pending, or past adverse rulings, judgments, litigation, contingent liabilities, revocations of authority, administrative, regulatory (State, FERC, SEC, or DOJ, etc.) investigations and any other matters relating to financial or operational status for the past three years that have arisen from Proposer's renewable resource projects or Proposer's sale or purchase of RECs.		

Navigant and FirstEnergy Ohio Utilities will treat all financial statements provided by Applicant in a confidential manner. Applicant will notify Navigant/FirstEnergy Ohio Utilities if any financial or Credit Application information changes. Applicant certifies that the information herein is complete and accurate to the best of Applicant's knowledge, information and belief, and that the individual signing below is an authorized Representative of the Proposer or, where applicable, the parent company.

Only execution of an agreement by both FirstEnergy Ohio Utilities and the Proposer will constitute a "Winning Proposal".

**II. Credit Information: Rated Parties**

- **If the Party is rated by one of the standard credit rating agencies and wishes to apply for an Unsecured Credit Line with FirstEnergy Ohio Utilities, complete this Part II of the Credit Application.**
- **If the Party is not rated by one of the standard credit rating agencies, skip this section and continue to Part III of the Credit Application. Please note that you will not be eligible for an Unsecured Credit Line (“UCL”).**

Standard & Poor’s Credit Rating Senior Unsecured Debt (if unavailable, please provide Corporate Issuer Rating)	
Moody’s Credit Rating Senior Unsecured Debt (If unavailable, please provide Corporate Issuer Rating)	
Fitch Credit Rating Senior Unsecured Debt (if unavailable, please provide Corporate Issuer Rating)	
Please include one of the following: <ul style="list-style-type: none"> <li>• 2 most recent Audited Annual Financial Statements</li> <li>• 2 most recent Annual Reports</li> <li>• 2 most recent SEC Form 10-K</li> </ul>	
What is the total net worth of your company (or your parent corporation if parent corporation is providing a guarantee)?	

To be eligible for an Unsecured Credit Line (“UCL”), the applicant must submit **audited** financial statements for the previous **2 (two) years**. If these financial statements are evaluated as acceptable, Navigant will establish a UCL for the Proposer. If the financial statements are not available or are evaluated as unacceptable, the Proposer will be required to post security.

### III. Certification to Provide Security

**All Parties must complete Section III**

#### **Successful Proposer's Agreement to Provide Security for Winning Proposal**

Proposer certifies that if:

- its Proposal is selected as a winning Proposal in this RFP,
- its Proposal notional value exceeds \$500,000 (or has special conditions e.g., bankruptcy), and
- FirstEnergy Ohio Utilities elects not to extend an unsecured credit line to Proposer,

Proposer will provide cash, guaranty, a Letter of Credit in the form approved by FirstEnergy Ohio Utilities, or other security acceptable to FirstEnergy Ohio Utilities in the amount of 5% of the notional value of the proposal within 3 business days upon notification of selection. Failure to provide such security, if selected, will result in disqualification of the proposal, and may result in additional legal action.

**Authorized Representative Signature** \_\_\_\_\_

**Name of Authorized Representative (Print):** \_\_\_\_\_

**Title of Authorized Representative:** \_\_\_\_\_

**Proposer (company name)** \_\_\_\_\_

**Date** \_\_\_\_\_