

Offer Cap Proposal

Cost Based Offers

- Incremental energy cost (plus 10 percent) below \$2,250 per MWh set LMP
 - 15,000 btu/kWh unit burning \$150 per mmbtu gas (Transco Zone 6 NY deliveries)
- Incremental energy cost (plus 10 percent) at or above \$2,250 per MWh reimbursed through uplift

Price Based Offers

- If cost-based offer is less than \$1,000 per MWh, price based offer less than \$1,000 per MWh is accepted
- If cost-based offer is at or above \$1,000 per MWh, price based offer equals cost based offer

Operating Agreement Changes

- Offer cap is effectively removed from Operating Agreement as of 6/1/2015