2026-P00107

Power Purchase and Operating Agreement

Temporary Power Generation

Power Expectations, LLC, Enchanted Rock, LLC and Reyes Contractor Group, Inc.
as Seller
and

Puerto Rico Electric Power Authority

as Buyer

Dated June 10, 2026

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Emergency Temporary Power Generation RFP 3PPO-0314-20-TPG2
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THIS POWER PURCHASE AND OPERATING AGREEMENT is made this 10 of June, 2026 (the "**Effective Date**") BETWEEN:

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1. **Power Expectations, LLC** (hereinafter called the "Seller"); and a limited liability company organized under the laws of Puerto Rico, with its principal office at , and authorized to do business in the Commonwealth of Puerto Rico and herein represented by Landon Gallagher, COO, of legal age, married or single, and a resident of who is duly authorized to enter into this Agreement as certified by the Resolution dated 6/10/2026.

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2. **Enchanted Rock, LLC** (hereinafter called the "Seller"); and a limited liability company organized under the laws of Texas, with its principa l., , and authorized to do business in the Commonwealth of Puerto Rico and herein represented by Jhoby Weaks, COO-Caribbean Operations, of legal age, married or single, and a resident of the state of Texas who is duly authorized to enter into this Agreement as certified by the Resolution dated 6/10/2026.

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3. **Reyes Contractor Group, Inc.** (hereinafter called the "Seller"); and a limited liability company organized under the laws of Puerto Rico, with its principal office at 66 Calle Carazo, Altos, Guaynabo, PR 00969, and authorized to do business in the Commonwealth of Puerto Rico and herein represented by Denis Reyes, President, of legal age, married or single, and a resident of San Juan, Puerto Rico who is duly authorized to enter into this Agreement as certified by the Resolution dated 6/10/2026

4. **PUERTO RICO ELECTRIC POWER AUTHORITY ("PREPA")** (hereinafter called the "Buyer"), a public corporation and governmental instrumentality of the Commonwealth of Puerto Rico, created by an Act of 2 May 1941, No. 83, as amended, with its principal place of business at , represented its Executive Director, Mary C. Zapata Acosta, of legal age, married, professional engineer and resident of

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Seller and Buyer shall each be a "Party" and, together, the "Parties."

WITNESSETH

(A) WHEREAS, on January 24, 2023, the Puerto Rico Public-Private Partnerships Authority ("P3A"), the Puerto Rico Electric Power Authority ("PREPA"), and Genera PR LLC ("Genera") entered into the Puerto Rico Thermal Generation Facilities Operation and Maintenance Agreement (the "Generation O&M Agreement"), whereby Genera became the operator of the Legacy Generation Assets (as defined therein) as agent of PREPA;

(B) WHEREAS, PREPA, by virtue of Act No. 83 of May 2, 1941, as amended ("Act 83"), has the authority to engage services necessary and convenient to pursue its programs and responsibilities;

(C) WHEREAS, pursuant to the Generation O&M Agreement, PREPA designated and appointed Genera as its agent;

(D) **WHEREAS,** the Third-Party Procurement Office ("3PPO") was established under the P3A, as mandated by the Puerto Rico Electric System Transformation Act (Act No. 120-2018) and the Puerto Rico Public-Private Partnerships Act (Act No. 29-2009), to carry out procurement actions for public-private partnership initiatives where official conflicts of interest may arise, including procurement actions related to PREPA;

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(E) **WHEREAS,** the Puerto Rico Energy Bureau ("PREB"), through Resolution NEPR-MI-2023-0004, identified a potential conflict of interest in connection with Genera's role and therefore authorized and instructed the 3PPO to act as the procurement entity for the temporary emergency generation project and to issue the corresponding Request for Proposals;

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(F) **WHEREAS,** although it was initially contemplated that Genera would execute the power purchase agreement, further legal and contractual review confirmed that Genera, in its capacity as operator under the Generation O&M Agreement, is not authorized to contract for the purchase of power on its own behalf, and thus, PREPA must serve as the signatory party to this Power Generation Sale and Purchase Agreement;

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(G) **WHEREAS,** federal funds may potentially be sought through FEMA Project Worksheets for Aguirre or if applicable any Additional Site under the mitigation program to cover interconnection-related costs. Accordingly, PREPA and the 3PPO have followed applicable federal procurement and cost principles and have opted to itemize the interconnection costs independently, in case FEMA ultimately agrees to fund those costs;

(H) **WHEREAS,** the proposed power generation solutions must utilize proven, high-efficiency technology, such as combined cycle or reciprocating engines, and include state-of-the-art environmental control and monitoring systems. The system must meet a minimum annual equivalent availability factor of 95% of the COP which is the power availability requirement;

(I) **WHEREAS,** the SELLER shall provide an emergency response plan detailing how their solution withstands hurricanes, including specific resistance to wind speeds and storm surge levels. The plan shall outline sustained operation capabilities, procedures for temporary deployment, and the time required to restore full operational capacity after a hurricane event. The units must integrate into Puerto Rico's Transmission & Distribution (T&D) infrastructure without requiring significant upgrades. The project must fully comply with all procurement and operational guidelines established by the 3PPO. Additionally, the project must comply with environmental regulations, including, but not limited to: the Clean Water Act, Clean Air Act, New Source Performance Standards, Hazardous Air Pollutant Standards, Spill Prevention Control & Countermeasure requirements, Facility Response Plans, waste disposal regulations, construction and operating permits, and any future permits and modifications required under local and federal plans. The proponent must also adhere to the PREB's requirement for competitive procurement to secure the most favorable economic and technical conditions for PREPA, ensuring transparency and best value for ratepayers;

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(J) **WHEREAS,** PREPA requires secure temporary Power Generation units to support the Puerto Rico grid; and

(K) **WHEREAS,** to address such requirement, and with the express authorization by the PREB, the 3PPO issued Request for Proposals 3PPO-0314-20-TPG2, in which it sought bids to deliver Power Generation solutions to the requested sites, provide for the vaporization of such LNG in Regas Equipment (as defined below), and deliver Power Generation to the Generation Units, and Seller was selected to deliver LNG, secure use of the required Regas Equipment, and supply such Power Generation to Buyer at the Delivery Points pursuant to the form of Power Generation Sale and Purchase Agreement published as part of the   to supply and operate modular, temporary power generation facilities totaling 400 MW.

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(L) WHEREAS, the Puerto Rico Energy Bureau ("PREB") has determined that a firm capacity of 3,000 megawatts (MW) is essential to stabilize the electric system and ensure the reliable delivery of electricity, particularly during periods of emergency, forced outages, elevated demand, scheduled maintenance of generation units, and overall grid stress.

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NOW, THEREFORE, Seller and Buyer hereby agree as follows:

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ARTICLE I – DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires, the following terms shall have the meanings set forth below

"3PPO" means the Third-Party Procurement Office, established under the Puerto Rico Public-Private Partnerships Authority (P3A) to manage procurement related to Public-Private Partnerships, including this Agreement.

"Actual Diesel Cost" means the documented and verifiable total cost actually incurred by Buyer in connection with diesel-based operation of the Facility during the applicable period, including, without limitation: (i) the actual delivered cost of diesel fuel, (ii) transportation, logistics, trucking, handling, storage, and delivery costs; (iii) fuel additives and treatment costs; (iv) temporary fuel infrastructure and operational support costs; (v) incremental operation and maintenance costs attributable to diesel operation; and (vi) any taxes, fees, or surcharges directly associated with diesel procurement or use, all as reasonably supported by invoices, purchase orders, operational records, or other supporting documentation."

"Additional Site" means the generation site proposed in the Municipality of Yabucoa, Puerto Rico, which may be incorporated into this Agreement upon review and approval by the Puerto Rico Energy Bureau (PREB). The inclusion, activation, and use of the Additional Site shall not be effective unless and until such PREB approval is obtained, and all related regulatory, technical, and operational requirements applicable to the Site have been satisfied.

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"Affiliate" means in relation to a Party, any company, corporation, partnership, or other legal entity that (a) is directly or indirectly controlled by such Party; (b) directly or indirectly controls such Party; or (c) is directly or indirectly controlled by an entity that also, directly or indirectly, controls such Party.

"Agreement" means this Power Purchase and Operating Agreement, together with all Exhibits, Annexes, Schedules, and Amendments, as may be modified from time to time.

"Aguirre Power Plant and if applicable any additional site" means the existing generation facilities and/or greenfield locations in Puerto Rico where the Seller is required to deploy and integrate the Land-Based Power Generation Solution into the 115 kV or 230 kV switchyards.

"Applicable Law" means any statute, treaty, convention, regulation, rule, permit, directive, order, or decree issued by any Governmental Authority applicable to the performance of this Agreement, including, but not limited to: The Puerto Rico Electric Power Authority Revitalization Act; The Puerto Rico Oversight, Management, and Economic Stability Act (PROMESA); The Clean Air Act, Clean Water Act, and other applicable environmental regulations.

"Availability Penalty" means the financial penalty payable by Seller to Buyer when Seller's Power Availability falls below the required threshold, calculated in accordance with Section 8.3 of this Agreement.

"Business Day" means a day other than Saturday, Sunday, or a public holiday in Puerto Rico or United States.

"Buyer" means the Puerto Rico Electric Power Authority (PREPA).

"COD": means the date on which the power generation system is fully deployed, tested, and supplying power to the grid.

"COP" means the Continuous Operating Power, defined as the maximum power output that the generator set is capable of delivering continuously while supplying a constant electrical load, when operated for an unlimited number of hours per year under the agreed operating conditions and subject to the applicable maintenance intervals.

"Control" means the beneficial ownership, either directly or indirectly, of 50% or more voting rights in an entity, or the ability to direct its management and policies.

"Delivery Point" means the physical location where the power generation units interconnect with the Buyer's transmission infrastructure, specifically at the 230 kV switchyard at Aguirre or an Additional Site option at 115 kV or 230 kV switchyard.

"Deployment Delay Liquidated Damages" means the liquidated damages payable by Seller to Buyer for each day that COD is delayed beyond the Deployment Period, calculated in accordance with Section 8.2 of this Agreement.

"Deployment Period" means the period of ninety (90) to one hundred fifty (150) days following the execution of this Agreement, during which the Seller shall use commercially reasonable best efforts to have the COP-rated power generation solution fully deployed, operational, and interconnected to the Buyer's transmission grid.

"Dispute" means shall have the meaning set forth in Article XX (Settlement of Disputes).

"Effective Date" means the date on which this Agreement is executed and becomes legally binding.

Eligible Demobilization Costs" means Seller's actual, reasonable, documented, and unavoidable out-of-pocket costs directly incurred to dismantle, disconnect, remove, transport, and demobilize the Temporary Power Generation Units from the Project Site following a Buyer Termination for Convenience occurring during the first thirty-six (36) months following COD. Eligible Demobilization Costs shall be limited strictly to direct demobilization-related expenses and shall expressly exclude any lost profits, future revenues, remaining contract value, return on investment, financing costs, breakage costs, internal overhead, corporate allocations, expectation damages, penalties owed to subcontractors or affiliates unless previously approved in writing by Buyer, costs associated with replacement projects or redeployment of equipment, costs already amortized, recovered, reimbursed, or otherwise included in the Contract Rate, and any mark-up, fee, contingency, or profit component of any kind.

"Environmental Compliance" means adherence to all applicable federal, state, and local environmental regulations, including but not limited to the requirements of the EPA, NOAA, and Puerto Rico environmental authorities.

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"EPA" means the United States Environmental Protection Agency, which enforces environmental protection standards applicable to power generation projects.

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"Equipment" means the power generation units, transformers, switchgear, fuel storage facilities, and all ancillary infrastructure necessary to provide 400 MW of COP-rated generation capacity at Aguirre and if applicable at the additional site.

"Event of Default" means the occurrence of any event expressly identified in Article XV as constituting an Event of Default **"Facility"** means the temporary power generation system, together with all associated infrastructure, deployed at Aguirre and if applicable at the additional site under this Agreement.

"Force Majeure" means subject to Article XII, any event or circumstance beyond the reasonable control of the affected Party (the "Affected Party") and not resulting from the fault or negligence of the Affected Party claiming the Force Majeure, which wholly or partially prevents the Affected Party from performing any of its obligations under this Agreement, but only if and to the extent that: (1) the Affected Party could not have prevented, avoided, or removed such circumstance, despite the exercise of reasonable diligence consistent with its obligations under this Agreement; (2) the Affected Party has taken all reasonable precautions, due care, and reasonable alternative measures in order to (i) avoid the effect of such event or circumstance on the Affected Party's ability to perform such obligation under this Agreement, and (ii) mitigate the consequences thereof; (3) such event or circumstance did not directly or indirectly arise out of the breach by the Affected Party of any of its obligations under this Agreement or the fault or negligence of the Affected Party; and the Affected Party has given the other Party ("Non-Affected Party") notice of such event or circumstance in accordance with Article XXIII.

"Fuel Supply" means the fuel required for power generation, whether provided by the Buyer or Seller, as specified in the Agreement.

"Genera PR" means Genera PR LLC, acting as the authorized agent of PREPA under the Generation O&M Agreement.

"Generation O&M Agreement" means the contract entered into by PREPA, Genera PR, and the Puerto Rico Public-Private Partnerships Authority (P3A) for the operation and maintenance of PREPA's Legacy Generation Assets.

"Governmental Authority" means any federal, state, or municipal agency, including but not limited to: The Commonwealth of Puerto Rico; The Financial Oversight and Management Board for Puerto Rico; the Federal Energy Regulatory Commission (FERC).

"Grid Connection" means the interconnection of the power generation solution to the 115 kV and/or 230 kV switchyards at Aguirre and or if applicable any Additional Site, in compliance with the technical standards established by PREPA, LUMA, and Genera PR.

"Hazardous Materials" means any substance classified as hazardous or toxic under EPA, OSHA, or Puerto Rico environmental laws.

"Independent Engineer" means a third-party expert appointed to verify the Seller's compliance with performance standards and certify technical deliverables under this Agreement.

"Infrastructure Support" means all necessary electrical, structural, and civil works required to integrate the power generation solution with the Buyer's transmission network.

"kWh" means kilowatt-hour, a unit of energy measurement used for billing under this Agreement.

"Liquidated Damages" means any pre-agreed financial compensation owed as a result of a Party's failure to meet its contractual obligations, including, without limitation, delayed deployment or failure to maintain the required operational uptime. The Parties acknowledge and agree that the Liquidated Damages set forth herein constitute reasonable forecasts of the actual harm that would result from such breaches, and that the nature of such harm would be difficult or impracticable to accurately quantify at the time of contracting.

"LUMA" means LUMA Energy, LLC, acting as the authorized agent of PREPA under the transmission and distribution (T&D) O&M Agreement.

"Monthly Billing Period" means the standard invoicing period based on metered energy delivered to the grid.

"NOAA" means the National Oceanic and Atmospheric Administration, which oversees marine and coastal environmental compliance.

"Operating Plan" means the detailed procedures, maintenance schedules, and operational protocols for the power generation operations at Aguirre and or if applicable any Additional Site.

"Operational Rate" means the fixed rate of US$0.160 per kWh payable to Seller for electric energy generated and delivered to Buyer under this Agreement, exclusive of any fuel cost, fuel reimbursement, fuel adjustment, pass-through fuel charge, taxes, penalties, liquidated damages, or other separate charges. The Operational Rate is intended to compensate Seller for the non-fuel components of power generation, including operation, maintenance, equipment, labor, and other costs associated with making the generation facility available and producing energy, as applicable under this Agreement.

"Performance Bond Triggering Event" means any of the events specified in Exhibit C that entitle Buyer to call or execute the Performance Bond.

"Performance Standard" means the key performance indicators (KPIs) used to evaluate the Seller's operational efficiency, uptime, fuel efficiency, and compliance with grid regulations.

"Permits" means all necessary licenses, approvals, and environmental authorizations required for contract execution.

"Power Availability" means Seller's readiness and capability to deliver power in compliance with Buyer dispatch instructions and scheduled generation. The system must meet a minimum annual equivalent availability factor of 95% of the COP.

"Power Generation Shortfall" means the positive difference, if any, between (a) the Scheduled Generation for any period and (b) the actual power delivered by Seller at the Delivery Point during such period, excluding shortfalls directly caused by (i) Force Majeure

Events, (ii) Buyer-directed curtailment or dispatch adjustments, (iii) conditions solely attributable to the Buyer or the transmission system operator, or (iv) pre-approved Scheduled Maintenance.

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"Power Purchase and Operating Agreement" or "PPOA" means this Agreement pursuant to which Seller shall own, operate, maintain, and make available the Temporary Power Generation Units and sell electric energy to Buyer at the Delivery Point, with compensation based on metered and accepted kilowatt-hours delivered in accordance with the terms and operational requirements of this Agreement. Operational availability, dispatch compliance, and performance obligations are incidental and necessary to Seller's energy delivery obligations under this Agreement.

"Prime Rate" means the Wall Street Journal (WSJ) Prime Rate.

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"Project Site" means the designated locations at Aguirre and if applicable at the additional site where the power generation systems will be deployed.

"Regulatory Compliance" means full adherence to all environmental, technical, and operational requirements as mandated by the Agreement.

"Scheduled Generation" means the quantity of power (in MW) that Seller is required to make available and deliver at the Delivery Point during any given period, as determined by Buyer or its operator pursuant to Article V, subject to the Power Availability requirement. In the absence of specific dispatch instructions, Scheduled Generation shall equal 95% of 400 MW COP (380 MW) for each hour. Scheduled Generation shall in no event exceed the amount of power the Facility is physically capable of delivering at the time of dispatch, taking into account then-existing operating conditions and any Force Majeure Event.

"Scheduled Maintenance" means planned service and inspections necessary to ensure continuous operation.

"Seller" means, collectively, Power Expectations, LLC, Enchanted Rock, LLC, and Reyes Contractor LLC, which shall be jointly and severally liable for all obligations, representations, and warranties under this Agreement. The Seller is responsible for the design, deployment, operation, and maintenance of the temporary power generation solution as awarded under this Agreement.

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"Seller Fuel Default" means any failure by Seller to supply, deliver, or maintain adequate LNG inventory to operate the Temporary Power Generation Units at the required Power Availability level, except where such failure is directly caused by a Force Majeure Event or a Buyer-directed action.

"Site Coordination Protocol" means the procedures established pursuant to Section 2.6 of this Agreement governing the demarcation, placement, and operation of equipment at Project Sites where multiple Sellers or third parties may operate.

"Temporary Power Generation Unit" means a non-permanent generation asset installed at Aguirre or if applicable any Additional Site under this Agreement.

"Termination Payment" means solely the amount of any undisputed payment obligations accrued for electric energy actually delivered, metered, accepted, and invoiced by Seller prior to the effective date of termination, to the extent such amounts remain unpaid; provided, however, that in the event of a Buyer Termination for Convenience occurring during the first thirty-six (36) months following COD, Buyer shall also reimburse Seller for Eligible Demobilization Costs solely to the extent expressly provided in Section 3.1.1(c). For the avoidance of doubt, Termination Payment shall not include lost profits, future revenues, remaining contract value, stranded costs, financing costs, return on investment, expectation damages, or any form of make-whole compensation unless expressly stated otherwise in this Agreement.

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"**Transmission System**" means the network of high-voltage lines and associated infrastructure used to deliver electricity from the power generation units to PREPA's transmission grid.

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1.2 Interpretation

In this Agreement, unless the context requires otherwise:

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(a) **References to Article and Exhibits** – References to Article and Exhibits refer to those within this Agreement. The Exhibits hereto are incorporated by reference and form an integral part of this Agreement.

(b) **References to a Person** – References to a Person shall include such Person's successors and permitted assigns.

(c) **Article and Exhibit Headings** – The headings of Article and Exhibits are for convenience only and shall not affect the construction or interpretation of this Agreement.

(d) **Singular, Plural, and Gender Usage** – Words denoting singular include the plural and vice versa. Words denoting a specific gender (masculine, feminine, neuter) shall be interpreted to include all genders or bodies corporate.

(e) **Interpretation of "Include" and "Including"** – The terms "include" and "including" shall be construed as "including without limitation".

(f) **References to Agreement and Obligations** – The words "agree," "agrees," and "agreed" refer to a written agreement that has been executed and delivered by the Parties.

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(g) **Party Consent and Reasonable Efforts** – If either Party's consent or agreement is required to not be unreasonably withheld, it includes the obligation to not unreasonably delay granting such consent or agreement.

(k) **Statutory References** – References to any law, statute, or statutory provision shall be construed as a reference to such law as amended, modified, or re-enacted, and shall include any subordinate legislation issued under that provision.

(l) **Replacement of Prime Rate** – If, at any time during the Supply Period, the Prime Rate becomes unavailable or inappropriate, the Parties shall promptly meet to discuss and attempt to agree in writing upon a suitable replacement benchmark rate. If the Parties are unable to agree, either Party may refer the matter to an Expert for determination, in accordance with Article XX (Settlement of Disputes).

ARTICLE II – POWER SALE, PURCHASE, AND OPERATIONS

2.1 Power Generation Sale and Delivery

Seller shall own, install, operate, maintain, and make available the Temporary Power Generation Units and shall sell electric energy generated therefrom to Buyer at the designated Delivery Points, and Buyer agrees to purchase such delivered electric energy in accordance with the terms of this Agreement.

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All delivered power shall meet the quality and operational standards set forth in Article IV.

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The amount of power delivered, and the related delivery schedules, shall be determined in accordance with Article V. Buyer's obligation is limited to paying for metered and accepted kilowatt-hours in accordance with Article X and Article VII. This Agreement does not impose any minimum-take requirement, minimum-generation requirement, or make-whole obligation unless expressly stated in Exhibit B.

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Title to and risk of loss for electric energy delivered under this Agreement shall transfer from Seller to Buyer at the Delivery Point.

2.2 Delivery Method and Interconnection Requirements

The Seller shall deploy, install, and operate the Temporary Power Generation Units necessary to supply power at the Project Site. The Seller shall comply with all interconnection, protection, telemetry, SCADA, and dispatch requirements established by LUMA.

The Seller is responsible for all infrastructure required to interconnect the generation systems at the 115 kV or 230 kV switchyards, including transformers, switchgear, auxiliary systems, and all associated equipment. The Seller shall obtain and maintain all permits and approvals necessary for installation, operation, environmental compliance, and interconnection.

The Buyer shall provide reasonable access to the Project Site and designate the areas where the Temporary Power Generation Units will be installed. The Buyer shall make commercially reasonable efforts to support and expedite permitting and interconnection processes without assuming liability for delays attributable to the Seller or third parties.

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2.3 Operation and Maintenance

The Seller shall be fully responsible for operating and maintaining the Temporary Power Generation Units, including preventive maintenance, corrective maintenance, planned outages, and forced outages. The Seller shall comply at all times with operational directives issued by LUMA and Genera PR.

The Seller shall maintain real-time monitoring capabilities for power output, operational status, environmental compliance (when applicable), and outage events. The Seller shall submit operational reports to the Buyer, LUMA, and any regulatory authority upon request. Each report shall include generation records, outage information, corrective actions taken, and relevant operational data consistent with LUMA's reporting format.

2.4 Fuel Responsibilities and Fuel Options

For the Aguirre Power Plant, LNG shall be the designated primary fuel for all operations under this Agreement. The Seller shall procure all Liquefied Natural Gas (LNG) required to operate the Temporary Power Generation Units and shall be responsible for LNG delivery, storage, regasification, associated infrastructure, and environmental and safety compliance. As a condition precedent to achievement of COD, Seller shall demonstrate to Buyer, LUMA, and Genera PR that: (i) all LNG procurement, supply, transportation, storage, regasification, and delivery infrastructure is fully operational and tested; (ii) binding LNG supply and logistics agreements are in place sufficient to support sustained operation at 95% Power Availability; and (iii) all permits, licenses, and approvals required for LNG-based operation have been obtained and are in good standing. Failure to satisfy these conditions precedent by the Deployment Period (Day 150) shall constitute grounds for Performance Bond execution and termination pursuant to Articles VIII and XV.

LNG shall be the primary fuel for all operations under this Agreement. Diesel-based operation is secondary and limited exclusively to the following contingency scenarios: (i) a documented Seller Fuel Default as defined herein; (ii) a duly documented Force Majeure Event that prevents, restricts, or materially delays Seller's ability to supply LNG; or (iii) a grid emergency or reliability event declared in writing by Buyer, LUMA, or Genera PR. Outside of these contingencies, the Facility shall operate exclusively on LNG. When diesel operation is triggered under one of the foregoing scenarios, Buyer shall supply the diesel fuel and its delivery infrastructure, pricing applicable to diesel operation shall be as set forth in Exhibit B and Section 2.4.3, and the Seller shall operate the generation units on diesel upon written instruction from the Buyer.

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2.4.1 Diesel Compensation Upon Seller Fuel Default

If Seller fails to supply, deliver, or maintain adequate LNG to operate the Temporary Power Generation Units at the required Power Availability level (a "Seller Fuel Default"), and the Buyer or its operator elects to utilize diesel fuel to maintain power generation, the following compensation provisions shall apply:

(a) Buyer shall be entitled to procure diesel fuel at its discretion to maintain power generation at the Project Sites;

(b) During any Seller Fuel Default period in which Seller operates using diesel fuel, Seller shall be compensated at a rate of $0.160/kWh for operational costs for each kWh generated. In addition, Seller shall reimburse Buyer for the diesel fuel costs incurred in connection with such generation during the Seller Fuel Default period;(d) Such reimbursement may be offset by Buyer against any payments otherwise due to Seller under Article X.

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2.4.2 Diesel Price Reference Index

For purposes of calculating the Actual Diesel Cost Rate, the Delivered Diesel Price per Gallon shall be determined by reference to:

(a) The U.S. Energy Information Administration (EIA) Weekly Retail On-Highway Diesel Price for the Gulf Coast (PADD 3) region, multiplied by a Puerto Rico Delivery Adjustment Factor of 1.12 to account for transportation and logistics costs; or

(b) Actual invoiced diesel costs if Buyer procures diesel directly, supported by documentation.

2.4.3 Diesel Operation During Seller Fuel Default or Force Majeure

If, as a result of (i) a documented Seller Fuel Default not attributable to a Force Majeure Event or to Buyer, or (ii) a duly documented Force Majeure Event that prevents, restricts, or materially delays Seller's ability to supply LNG to the Facility, Buyer elects to operate the Facility using diesel fuel in lieu of LNG, the following shall apply

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(a) Diesel Operation During Seller Fuel Default (Non-Force Majeure) If diesel operation occurs as a result of a documented Seller Fuel Default not attributable to Force Majeure or Buyer, Seller shall be compensated at a rate of US$0.160 per kWh solely for operational costs for each kWh generated during such diesel operation. In addition, Seller shall reimburse Buyer for the diesel fuel costs incurred in connection with such generation during the Seller Fuel Default period.

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Seller's reimbursement obligation under this Section shall be limited to diesel operation for up to five hundred forty-eight (548) operating hours per month and, in all events, shall not exceed US$500,000 per month.

(b) Diesel Operation During Force Majeure If diesel operation occurs as a direct result of a duly documented Force Majeure Event affecting Seller's ability to supply LNG, and Buyer supplies and pays for the diesel fuel used during such diesel operation, including any related storage and logistics costs, Seller shall be compensated solely at the Non-Fuel Rate of US$0.160 per kWh for energy generated during such diesel operation.

(c) Limitation on Seller Compensation During Force Majeure Diesel Operation For the avoidance of doubt, during any period described in subsection (c), Seller shall not be entitled to:

(i) the Contract Rate;

(ii) reimbursement of diesel fuel costs; or

(iii) any other fuel-related compensation Seller's compensation during such period shall be limited exclusively to the Non-Fuel Rate set forth above.

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(d) Buyer Mitigation

Buyer shall use commercially reasonable efforts to minimize diesel usage and associated costs during any period of diesel operation under this Section, consistent with maintaining grid reliability and operational requirements.

(e) Application of this Section

This Section shall apply solely during:

(i) a documented Seller Fuel Default not excused by Force Majeure; or

(ii) a duly documented Force Majeure Event affecting Seller's ability to supply LNG and shall not apply to any diesel operation elected by Buyer for operational, economic, reliability, or system-related reasons unrelated to Seller Fuel Default or Force Majeure.

For the avoidance of doubt, the compensation framework set forth herein is intended to distinguish between:

(x) Seller-attributable performance failures; and

(y) non-attributable Force Majeure events

2.5 Deployment and Commissioning

The Seller shall mobilize, install, and commission the Temporary Power Generation Units within the Deployment Period established in this Agreement. Seller shall submit (i) daily deployment status reports to the Buyer until commissioning is complete, and (ii) Milestone Compliance Reports in accordance with Exhibit G, demonstrating compliance with each milestone set forth therein and identifying any deviations, delays, risks, or anticipated impacts together with the corrective and mitigation measures being implemented.

Milestone Compliance Reports shall be delivered to Buyer on a bi-weekly basis commencing on the second Monday following the Contract Execution Date and continuing through Day 90 of the Deployment Period. Beginning on Day 91 and continuing until COD is achieved, Seller shall provide weekly Milestone Compliance Reports every Monday by 5:00 p.m. AST. Such reports shall identify milestone status, deviations, delays, risks, mitigation measures, recovery actions, and any anticipated impacts to the schedule set forth in Exhibit G.

Seller acknowledges that timely achievement of the milestones set forth in Exhibit G and achievement of COD are material obligations under this Agreement. Seller further acknowledges that obtaining permits, approvals, licenses, authorizations, interconnection coordination, and regulatory compliance necessary for the Project constitutes a core obligation of Seller. Ordinary permitting timelines, foreseeable regulatory review periods, incomplete submissions, deficient applications, failure to timely respond to agency requests, or delays resulting from Seller's acts, omissions, negligence, lack of diligence, or failure to properly manage subcontractors, consultants, or suppliers shall not constitute Force Majeure or otherwise excuse compliance with the Deployment Period.

Notwithstanding the foregoing, Seller shall not be deemed in default, nor shall Deployment Delay Liquidated Damages accrue under Article VIII, to the extent Seller demonstrates that a delay affecting a milestone under Exhibit G or achievement of COD was directly caused by: (i) Buyer's failure to timely provide required site access, interconnection coordination, approvals, information, governmental cooperation, or other actions expressly required to be provided by Buyer under this Agreement; (ii) delays caused by Governmental Authorities under the direct control of the Commonwealth of Puerto Rico or Buyer after Seller has timely and diligently submitted all required applications, supporting documentation, studies, and materials necessary for the applicable permit, approval, authorization, or interconnection process; or (iii) Buyer-directed scope changes, operational modifications, sequencing changes, or scheduling adjustments that materially impact the approved deployment schedule.

As a condition to any relief under this Section, Seller shall: (a) provide written notice to Buyer within five (5) Business Days after becoming aware of the applicable delay; (b) demonstrate continued diligent pursuit of the affected milestone or COD; (c) implement commercially reasonable mitigation and acceleration efforts; (d) provide supporting documentation reasonably requested by Buyer, and

(e) submit a recovery schedule identifying the measures being implemented to minimize the delay and restore compliance with Exhibit G and the approved project schedule, including: (i) the milestones affected; (ii) the estimated duration of the delay; (iii) the actions being taken to mitigate and recover the delay; (iv) the revised expected date for achievement of each affected milestone; and (v) the revised expected Commercial Operation Date (COD), together with supporting documentation demonstrating the basis for such revised schedule.

(f) Seller shall submit a written request for schedule relief together with the recovery schedule required under subsection (e).

(g)Buyer shall have the right, in its reasonable discretion, to approve, conditionally approve, partially approve, or deny the requested schedule adjustment under subsection (f). Buyer shall issue its written determination within ten (10) Business Days after receipt of Seller's complete request. If Buyer reasonably requests additional information, the review period shall be tolled until such information is provided. No schedule adjustment, extension of any milestone, extension of the Deployment Period, extension of COD, or relief from Deployment Delay Liquidated Damages shall be effective unless approved by Buyer in writing.

Exhibit GAny schedule adjustment granted pursuant to this Section shall be limited solely to the actual period of demonstrated delay directly attributable to the applicable circumstances, shall apply only to the affected milestone or obligation, shall not constitute a waiver of any other contractual obligation of Seller, and shall not entitle Seller to additional compensation, equitable adjustment, increased pricing, demobilization costs, financing costs, lost profits, or any other damages or payments not expressly provided under this Agreement.

Except as otherwise expressly provided under this Section or Article XII, any delay affecting the milestone schedule or achievement of COD shall subject Seller to the applicable Liquidated Damages, Performance Bond remedies, suspension rights, termination rights, offsets, and other remedies set forth in this Agreement.

2.6 Site Coordination Protocol

Given that multiple Sellers and third-party operators (including LUMA Energy and Genera PR) may operate at or near the Project Sites, the following coordination requirements shall apply

(a) Site Demarcation Plan: Seller shall identify, evaluate, and propose the areas necessary for its equipment placement, staging, storage, and operations. Seller shall coordinate with LUMA Energy and/or Genera PR regarding site conditions, operational restrictions, access requirements, safety protocols, and operational compatibility with existing facilities and operations. Buyer shall collaborate with Seller, LUMA Energy, and Genera PR in connection with such coordination efforts and shall provide reasonably available information in its possession.

(b) Operational Coordination: Seller shall coordinate all operational activities, including equipment movements, maintenance schedules, and fuel deliveries, with LUMA Energy and Genera PR to minimize disruption to ongoing site operations.

ARTICLE III – TERM AND CONDITIONS

3.1 Agreement Term

Initial
LG

This Agreement becomes effective upon execution by both Parties and shall remain in effect for an initial term of ten (10) years beginning on the Commercial Operation Date ("COD") of the Facility at the Project Site. This term applies only to Agreements with a ten-year duration. Agreements with shorter durations shall follow term provisions separately agreed by the Parties.

Initial
DK

The Agreement shall remain in force for the full duration of the Initial Term unless earlier terminated in accordance with Article XV (Termination). Early termination shall be permitted only under the specific circumstances and procedures established in this Agreement.

Initial
YW

3.1.1 Termination for Convenience

If Buyer elects to terminate this Agreement for convenience during the first thirty-six (36) months following COD, Buyer shall:

pay undisputed amounts owed for electric energy actually delivered, metered, accepted, and invoiced prior to the effective termination date; and

After the expiration of the first thirty-six (36) months following COD, Buyer shall have no obligation to reimburse Seller for any demobilization, removal, stranded, transition, or termination-related costs.

Seller shall not be entitled to lost profits, future revenues, expectation damages, financing costs, return on investment, make-whole compensation, or any other termination-related compensation unless expressly provided in this Agreement.

Seller shall submit detailed supporting documentation for all claimed Eligible Demobilization Costs, including invoices, contracts, receipts, and payment evidence. Buyer shall have full audit rights with respect to any demobilization reimbursement claim. No reimbursement shall be owed for unsupported, estimated, contingent, affiliate, or internally allocated costs.

MCog

3.2 Extension of Term

The Buyer may elect to extend the Initial Term. To initiate an extension, the Buyer shall send written notice to the Seller at least thirty (30) days before the expiration of the current Term The Seller shall provide a written response within fifteen (15) days of receiving the request Any approved extension shall be referred to as an Extension Term

3.3 Performance Period

The Performance Period begins on the first day of the Initial Term and continues for the entire duration of the Agreement, including any Extension Terms, unless the Agreement is earlier terminated in accordance with Article XV.

3.4 End-of-Term Purchase Option

3.4.1 Purchase Right

The Buyer shall have the exclusive right to purchase the equipment used in performing this Agreement at its Fair Market Value by providing written notice to the Seller no later than 120 days prior to the expiration of the Term (including any extensions). If the Buyer timely exercises this right, the Seller shall retain the equipment at the project site (or another agreed location) until the purchase is finalized. If the determination of Fair Market Value or the closing of the purchase extends past the expiration of the Term, the Seller's right to dispose of the equipment shall be tolled until the purchase process is completed or explicitly terminated by the Buyer

LG

3.4.2 Exclusion

DR

The purchase option does not apply if the Buyer terminates the Agreement for reasons other than the Seller's documented default.

3.4.3 Fair Market Value Determination

JW

Fair Market Value shall be determined as follows:

(a) The Parties shall attempt to mutually agree on an independent appraiser experienced in valuing similar equipment; the Buyer shall bear the appraisal cost.

(b) If no agreement is reached within thirty (30) days, each Party shall select an appraiser, and the two selected appraisers shall jointly select a third appraiser. The third appraiser's valuation shall be final and binding.

(c) The valuation shall consider the age, condition, market demand, comparable sales, and other relevant factors.

3.4.4 Notice of Intent to Purchase

The Buyer shall provide written notice to the Seller at least 120 days before the end of the Term indicating its intent to exercise the purchase option.

3.4.5 Payment Terms

Payment for the equipment at the determined Fair Market Value shall be made by the Buyer within fifteen (15) days of reaching agreement on the price.,

MCG

ARTICLE IV – GENERATION PERFORMANCE AND OPERATIONAL STANDARDS

4.1 Power Generation Performance Standards

The Seller shall ensure that all power generated and supplied to the Buyer at the Delivery Point (115 kV or 230 kV switchyard at the Aguirre and or if applicable any Additional Site) complies fully with the operational and regulatory requirements established in Exhibit E (Technical Specifications and Measurement Standards).

The Seller shall maintain continuous and stable power generation capacity of 400 MW COP at the Aguirre site and or if applicable any Additional Site, subject to the Power Availability requirements established under this Agreement. All generated power shall meet the applicable grid performance standards, including frequency stability at 60 Hz with allowable deviation, and voltage stability consistent with 115 kV and 230 kV system requirements.

The Seller shall integrate real-time telemetry and operational data with LUMA's Energy Control Center, including automated reporting of generation output, system status, availability, fuel consumption (if applicable), and compliance indicators. Monthly performance reports shall be submitted to the Buyer and LUMA, detailing actual energy delivered in MW and kWh, operational availability, outage events, and any variance from the performance obligations.

The Seller shall comply at all times with all environmental, occupational safety, and regulatory requirements applicable to power generation facilities, including EPA emissions standards, OSHA safety standards, and NOAA or U.S. Coast Guard requirements applicable to maritime-based equipment. Full regulatory compliance is a condition of continued operation. The Seller shall notify the Buyer within twenty-four (24) hours of any actual or suspected violation, non-compliance, or regulatory enforcement action.

Initial LG

Initial DR

4.2 Reserved

4.3 Non-Compliance with Performance Standards

Initial JW

If the Seller is unable to meet any performance standard required under this Agreement, the Seller shall immediately notify the Buyer, identifying the nature, cause, expected duration, and corrective measures being implemented.

If a Power Generation Shortfall occurs, the Buyer may procure substitute power from alternative sources, adjust system dispatch, activate emergency reserves, or implement any action necessary to preserve service continuity. The Seller shall coordinate with the Buyer and its operators to minimize impacts and restore full service.

If power output at either site falls below the required 400 MW COP (as adjusted by any applicable Power Availability requirements), the Seller shall submit a corrective action plan within twenty-four (24) hours. The plan shall describe the cause of the deficiency, the specific corrective steps, the recovery timeline, and the expected date of full restoration. If the Seller fails to restore output within a reasonable time determined by the Buyer, the Buyer may require deployment of backup generation assets or temporary configuration changes. The Seller shall cooperate fully with all such directives.

4.4 Dispute Resolution for Performance Measurement

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Any dispute relating to the measurement, testing, or reporting of power generation performance shall be resolved pursuant to Article XX (Settlement of Disputes). The Parties shall first attempt resolution through good-faith discussions. If no resolution is reached, the matter may be referred to an Independent Engineer or Third-Party Auditor to verify performance data and evaluate compliance.

The Independent Engineer or Auditor shall review operational data, metering records, and system conditions to determine whether the Seller has met its contractual performance obligations. Findings of the Independent Engineer or Auditor shall be final and binding for purposes of determining compliance with this Article.

ARTICLE V – DISPATCH, OPERATIONS, AND POWER DELIVERY

5.1Power Generation Planning and Dispatch Coordination

The Seller shall provide power generation services in alignment with the operational and dispatch requirements of the Buyer and LUMA, ensuring continuous, reliable, and flexible generation throughout the Performance Period. The Buyer or its operator shall define required output levels on a daily and weekly basis, and the Seller shall maintain full readiness to comply with all dispatch instructions while meeting the Power Availability requirement.

The Buyer, through its operator, shall issue a weekly operational forecast identifying anticipated power requirements for the following seven-day period. The Seller shall coordinate its fuel logistics, maintenance activities, and operational planning to ensure uninterrupted service. The forecast may be amended at any time to reflect real-time grid conditions, and the Seller shall promptly implement all required adjustments.

Any changes requested by the Buyer or its operator, including modifications to output, operating hours, or other delivery requirements, shall be implemented immediately by the Seller and shall not limit the Seller's obligation to maintain operational readiness or to comply with performance standards.

5.2 Performance-Based Dispatch Adjustments

The Buyer or its operator may modify power delivery requirements at any time based on grid conditions or energy demand. The Seller shall respond immediately to all dispatch instructions and adjust generation accordingly. The Seller shall maintain full operational availability and must be capable of increasing or decreasing power output up to the contracted capacity.

If the Buyer or its operator requires dispatch of power, the Seller shall make commercially reasonable efforts to meet the requested level. If the Seller cannot provide the requested output, it shall notify the Buyer immediately, specify the cause of the shortfall, and provide a firm timeline for restoring the required level of service.

5.3 Infrastructure and Grid Integration for Power Delivery

The Seller is responsible for integrating its power generation system with the Buyer's transmission and dispatch network and shall comply with all applicable interconnection standards and protocols set by the Buyer and coordinated with LUMA. The Seller shall connect its system at the 115 kV and/or 230 kV switchyard at Aguirre and if applicable to any Additional Site shall operate and maintain all auxiliary facilities, including transformers, switchgear, and related equipment, in full working condition throughout the Performance Period.

The Seller shall maintain an operational plan that ensures rapid response to dispatch adjustments and includes real-time communication with the Buyer's control center. This plan shall incorporate continuous data sharing regarding generation levels, system status, maintenance activities, and any performance deviations affecting grid operations.

LUMA is responsible for providing guidance and specifications for the electrical interconnection process, including technical reviews, interconnection studies, system approvals, and required coordination with the transmission and distribution system.

The Seller is responsible for all interconnection costs.

5.4 Curtailment and Adjustments to Power Delivery

If the Buyer or its operator determines that generation must be reduced or suspended due to grid conditions, the Seller shall comply with the curtailment order immediately. The Seller shall maintain readiness to resume full output as soon as requested by the Buyer or its operator.

Following any curtailment, the Seller shall coordinate with the Buyer or its operator to restore full generation promptly. If the Buyer or its operator requires generation above the contracted capacity, the Seller may propose additional capacity subject to technical feasibility and mutually agreed compensation, provided that no such proposal diminishes the Seller's obligations under this Agreement.

Initial LG

5.5 Operational Monitoring and Reporting

Initial DK

The Seller shall implement real-time monitoring systems to track power output, availability, grid compliance, and system stability and shall ensure continuous data access for the Buyer. The Seller shall provide a monthly performance report confirming actual power delivered, operational availability, corrective actions taken to address deviations, and environmental and regulatory compliance status.

Initial JW

In the event of a Power Generation Shortfall or service interruption, the Seller shall immediately notify the Buyer or its operator, document the event, state the cause, and describe the corrective measures being implemented.

5.6 Performance-Based Payment Adjustments

Payment to the Seller shall be based solely on actual power delivered under Article X. If the Seller fails to meet operational or performance obligations, the Buyer may adjust payments to reflect the actual level of service received.

If the Seller fails to deliver the required output, the Buyer may require the Seller to submit a Performance Correction Plan within ten days of written notice. The plan must include detailed corrective actions and a firm timeline for restoring compliance, which shall not exceed thirty days unless extended by the Buyer in writing.

If the Seller fails to submit or execute an acceptable Performance Correction Plan, the Buyer may procure substitute power from other sources, and any incremental cost shall be deducted from payments otherwise due to the Seller.

5.7 Service Adjustments and Long-Term Planning

MCOG

The Buyer and Seller shall conduct quarterly service reviews to evaluate performance, assess necessary operational adjustments, and determine whether long-term scheduling or infrastructure modifications are required. These reviews shall support Puerto Rico's broader energy security and system planning needs. Any adjustment affecting scheduling, dispatch coordination, or service provision shall be formalized through a written amendment approved by the Buyer.

ARTICLE VI – GENERATION AVAILABILITY SHORTFALL

6.1 Failure to Meet Power Delivery and Availability Requirements

The Seller is obligated to deliver the scheduled quantity of power and to maintain the contractually required Power Availability at Aguirre or if applicable to any Additional Site. A Power Generation Shortfall occurs whenever the Seller fails to (i) deliver the required power output at the Delivery Point, or (ii) comply with the Power Availability requirement, except where such failure is directly caused by (a) a Force Majeure Event, (b) a Buyer-directed operational adjustment, or (c) conditions solely attributable to the Buyer or the transmission system operator.

If a Power Generation Shortfalls occurs, the Buyer shall have the unilateral right to determine the operational and financial impacts of such deficiency and to require Seller to take immediate corrective actions, including adjustments to equipment, operations, staffing, fuel management, and scheduling. Buyer may issue corrective action instructions, and Seller shall comply without delay.

LG

If the Seller diverts power, capacity, or LNG fuel committed under this Agreement to any other buyer or third party without Buyer's prior written consent, such conduct shall constitute a material breach, and Buyer shall be entitled to pursue all remedies available under this Agreement and under Applicable Law

DR

6.1.1 Shortfall Measurement

JW

Power Generation Shortfall shall be measured on a daily basis by comparing: (a) the Scheduled Generation for such day (which, absent specific dispatch instructions, shall be 380 MW for each hour, representing 95% of 400 MW COP), against (b) the actual metered power delivered at the Delivery Point during such day. Any positive difference constitutes a Power Generation Shortfall subject to the remedies set forth in this Article and Article VIII (Liquidated Damages).

6.1.2 Shortfall Consequences

Upon determination of a Power Generation Shortfall, the following consequences shall apply:

(a) Buyer may offset amounts owed to Seller pursuant to Section 6.2;

(b) Availability Penalties shall accrue pursuant to Section 6.3;

(c) Persistent or material shortfalls may trigger Performance Bond execution pursuant to Exhibit C; and

(d) Repeated or uncured shortfalls may constitute grounds for termination pursuant to Article XV.

MCM

6.2 Buyer's Right to Recover Costs and Implement Offsets

Following any Power Generation Shortfall, the Buyer shall be entitled to recover all costs, expenses, losses, and damages arising from Seller's failure to meet contractual performance requirements. Such recoverable costs may include, without limitation, the cost of replacement power, ancillary services, system stabilization measures, operational impacts at the Site, and any additional technical or administrative burdens imposed on Buyer or the grid operator.

Any amounts owed by Seller may be offset by Buyer against payments otherwise due under Article X, without need for further notice or demand.

6.3 Corrective Action and Remedial Obligations

Upon notice from Buyer, the Seller shall promptly submit and implement a corrective action plan acceptable to Buyer. Persistent, recurring, or uncorrected deficiencies shall constitute grounds for suspension or termination under Article XV.

6.4 Acknowledgment of Seller's Operational Responsibility

Seller acknowledges that its obligations regarding continuous power delivery, operational readiness, fuel management, and system availability are essential to the operation of PREPA's grid. Seller further acknowledges that failures to meet these requirements impose direct and measurable impacts on grid stability, operational logistics, and system reliability. Nothing in this Article limits Buyer's right to pursue termination, injunctive relief, suspension, or any other contractual remedy.

LC

VK

JW

ARTICLE VII – MEASUREMENT, TESTING, AND OPERATIONS

7.1 Measurement and Verification of Power Generation

The Seller shall ensure that all power generation output delivered at the Aguirre Project Sites or if applicable to any Additional Site is accurately measured, monitored, and reported at the Delivery Points in accordance with this Agreement. All metering equipment and associated systems shall conform to the technical standards set forth in Exhibit E, including applicable NERC, FERC, IEEE 1547, and ANSI accuracy requirements.

Because LNG is the required priority fuel and the basis for operational and performance calculations under this Agreement, all measurements, verifications, and operational reporting shall expressly document, at all times, LNG-based generation and establish whether any deviation from LNG usage has occurred. Failure to provide such documentation will be considered a material breach.

The Buyer shall have unrestricted rights, at any time and without limitation, to conduct independent inspections, audits, validation tests, and system verifications at either Site or remotely through telemetered systems. Seller shall provide full and immediate access to operational data, metering logs, telemetry files, calibration records, emissions data, and any other documentation requested by the Buyer. Refusal or failure to provide such access constitutes a material breach of this Agreement.

7.2 Power Measurement Standards

All power delivered to the Buyer shall be measured in kilowatt-hours (kWh) and megawatts (MW) using metering equipment compliant with ANSI C12.20 accuracy standards. All meters shall record output at a base frequency of 60 Hz and at the voltage levels corresponding to the Delivery Points (115kV or 230kV).

All power output measurements shall be continuously logged, time-stamped, stored electronically, and retained in compliance with FERC Order 760 and all applicable NERC performance and transparency requirements. Seller shall provide the Buyer real-time telemetry and operational data through a protocol compliant with IEEE 1815 (DNP3).

If metering data is lost, compromised, corrupted, or otherwise unavailable, the Buyer shall determine the replacement values based on validated historical data, established operational models, or other appropriate calculations consistent with ISO 50001. In the event of a disagreement, the Buyer's determination shall govern unless overturned in accordance with Article XX.

7.3 Metering Equipment and Calibration Requirements

The Buyer has installed ultrasonic meters and associated systems at each Delivery Point. The Seller shall be responsible for operating, maintaining, calibrating, securing, and ensuring the accuracy and integrity of these meters at all times, including cyber protection of metering data and telemetry pathways. Calibration shall follow ISO/IEC 17025 standards.

LC

If any metering equipment is found to be inaccurate, inoperable, compromised, or otherwise unreliable, the Buyer shall apply corrections based on calibration tests, validated historical operational data, or third-party meter verification. If insufficient data exists to determine the adjustment period, the default period shall equal one-half of the time elapsed since the most recent valid calibration.

DR

Seller must immediately notify Buyer of any suspected or confirmed metering discrepancy and must provide a corrective action plan without delay.

JW

7.4 Verification and Performance Testing

Seller shall conduct monthly verification tests in accordance with ANSI C12.1 standards and shall provide results to the Buyer immediately upon completion. The Buyer may require third-party verification at any time on written notice.

If any discrepancy greater than one percent (1%) is identified, all relevant data shall be corrected and all billing statements reconciled in accordance with FERC Order 757. Repeated discrepancies, repeated calibration failures, or failure to correct inaccuracies promptly shall constitute a breach and may trigger the remedies available under Articles VI and XV.

7.5 Operational Data and Availability of Records

Seller shall provide the Buyer, no later than the end of each monthly billing period, all metering, operational, and compliance records for that month. Such records shall include hourly and daily generation data consistent with NERC GADS, grid frequency and voltage stability records demonstrating compliance with IEEE 1547, and environmental and emissions compliance reports, including all EPA CEMS files.

MCog

Seller shall also identify all deviations, outages, curtailments, alarms, disturbances, or reductions attributable to non-LNG fuels. Seller must maintain all operational records for at least three (3) years and shall provide immediate access to Buyer upon request.

Failure to timely provide operational data constitutes a breach.

7.6 Alternative Measurement Methods for Non-Metered or Non-Operational Sites

If any Project Site lacks functional metering, becomes non-metered, or experiences meter failure, power delivered shall be determined using validated historical operating data adjusted for system load, efficiency, and LNG usage, and supported by fuel consumption data compliant with EPA 40 CFR Part 75. Buyer may require independent third-party verification consistent with ISO 9001.

Any deviation from agreed measurement methods must be documented by Seller and approved by Buyer, whose approval may be withheld at its sole discretion.

7.7 Periodic Inspections and System Audits

Seller shall conduct quarterly inspections and system audits of all metering and operational systems in accordance with ISO 50001 energy audit principles and FERC/NERC operational protocols. Seller must provide Buyer with full documentation of audit results and implement corrective actions immediately if deviations, inaccuracies, or operational weaknesses are identified. If deficiencies persist, Buyer may require an independent audit at Seller's cost.

Initial LG

Persistent failures may trigger Buyer remedies under Articles VI and XV, including suspension or termination

Initial DR

ARTICLE VIII – LIQUIDATED DAMAGES

Initial YD

8.1 Purpose and Acknowledgment

The Parties acknowledge that Seller's failure to meet its deployment, availability, and operational obligations under this Agreement, including without limitation the logistics, fuel supply, transportation, and delivery arrangements as set forth in Exhibit G , would cause substantial harm to Buyer and the Puerto Rico electrical grid, including but not limited to increased costs for replacement power, grid instability, regulatory consequences, and harm to ratepayers. The Parties further acknowledge that the actual damages resulting from such failures would be difficult or impracticable to quantify at the time of contracting. Accordingly, the Parties agree that the liquidated damages set forth in this Article VIII represent a reasonable forecast of the harm that would result from such failures and are not intended as a penalty.

8.2 Deployment Delay Liquidated Damages

If Seller fails to achieve COD by the end of the Deployment Period (Day 150 after Contract execution or any revised Commercial Operation Date approved in writing by Buyer (Section 2.5)), Seller shall pay to Buyer Deployment Delay Liquidated Damages as follows:

(a) Rate: $5,000 per day;

MCofh

(b) Trigger: Liquidated Damages begin accruing on Day 151 after Contract execution or any revised Commercial Operation Date approved in writing by Buyer (Section 2.5) and continue for each day thereafter until the COD is achieved;

(c) Termination Right: If COD is not achieved by Day 150 or any revised Commercial Operation Date approved in writing by Buyer (Section 2.5) after Contract execution (representing the expiration of the Deployment Period), Buyer may terminate this Agreement for cause pursuant to Article XV without further liability other than payment of any undisputed amounts owed for electric energy actually delivered, metered, accepted, and invoiced prior to the effective date of termination, in addition to recovering all accrued Deployment Delay Liquidated Damages and exercising any other remedies expressly provided under this Agreement or Applicable Law.

For the avoidance of doubt, Deployment Delay Liquidated Damages shall cease to accrue upon achievement of COD. Following COD, Seller's performance shall be governed by the Availability Penalty provisions of Section 8.3, the Performance Bond provisions of Exhibit C, and the default and termination remedies set forth in Article XV.

Deployment Delay Liquidated Damages and other schedule-related remedies shall be suspended solely during the period of any approved Force Majeure delay or schedule adjustment granted pursuant to Section 2.5 or Article XII affecting the applicable milestone obligations.

Initial LG

8.3 Availability Penalty

If Seller's Power Availability falls below the required 95% of COP (380 MW) during any calendar month, Seller shall pay to Buyer an Availability Penalty as follows:

Initial DR

(a) **Rate:** $250 per MW per day for each MW that Seller's average daily availability falls below 380 MW;

Initial SD

(b) **Calculation:** The daily shortfall shall be calculated as (380 MW minus Average Daily Availability in MW). If Average Daily Availability equals or exceeds 380 MW, no penalty accrues for that day;

(c) **Monthly Cap:** The maximum Availability Penalty for any calendar month shall not exceed five percent (5%) of the invoice amount for that month;

(d) **Annual Cap:** The maximum aggregate Availability Penalty for any Contract Year shall not exceed three percent (3%) of the estimated annual contract value

8.4 Fuel Diversion Liquidated Damages

If Seller diverts LNG fuel, power capacity, or generation committed under this Agreement to any third party without Buyer's prior written consent, Seller shall pay to Buyer liquidated damages equal to one hundred fifty percent (150%) of the value of the diverted fuel or power, calculated at the Contract Rate of $0.224/kWh. This provision shall apply in addition to, and not in lieu of, any other remedies available to Buyer under this Agreement or Applicable Law.

8.5 Abandonment of Liquidated Damages

MCof

At any time and from time to time during the Term, if Seller abandons service for more than five (5) consecutive days without substantial efforts to resume operations (as determined by Buyer in its reasonable discretion), Seller shall pay to Buyer a one-time abandonment liquidated damage of $1,000,000 per occurrence. Each separate instance of abandonment following a resumption of service shall trigger a separate liquidated damages assessment, in addition to all other remedies available under this Agreement, including Performance Bond execution.

8.6 Regulatory Violation Liquidated Damages

If Seller commits a material violation of any environmental, safety, or operational regulation that remains uncured for more than thirty (30) days after written notice from Buyer or the applicable regulatory authority, Seller shall pay to Buyer liquidated damages of $50,000 per day until the violation is cured, for a maximum period of sixty (60) days. After sixty (60) days, Buyer may terminate this Agreement for cause and execute the Performance Bond.

8.7 Corrective Action Plan Failure

If Seller fails to submit an acceptable corrective action plan within the timeframes specified in Articles IV or VI, or fails to implement an approved corrective action plan, Seller shall pay to

Buyer liquidated damages of $25,000 per day until such plan is submitted and approved or successfully implemented.

8.8 Data and Reporting Failures

If Seller fails to provide operational data, metering records, or compliance reports as required under Article VII, Seller shall pay to Buyer liquidated damages of $10,000 per day for each day such data or reports remain outstanding beyond the applicable deadline.

8.9 Aggregate Annual Cap

Notwithstanding any other provision of this Article VIII, the aggregate liquidated damages payable by Seller in any Contract Year (excluding Fuel Diversion Liquidated Damages and amounts recovered through Performance Bond execution) shall not exceed three percent (3%) of the estimated annual contract value.

8.10 Payment and Offset

All liquidated damages under this Article VIII shall be due and payable within thirty (30) days of Buyer's written demand. Buyer may, at its option, offset any liquidated damages owed against payments otherwise due to Seller under Article X. Exercise of offset rights shall not require Buyer to provide additional notice or demand beyond the initial determination of the liquidated damage amount. Seller's obligations, including payment of Liquidated Damages, are secured by the Performance Bond.

8.11 Relationship to Other Remedies

The liquidated damages set forth in this Article VIII are in addition to, and not in lieu of: (a) Buyer's right to recover actual damages for breaches not covered by liquidated damages provisions; (b) Buyer's right to terminate this Agreement pursuant to Article XV; (c) Buyer's right to execute the Performance Bond pursuant to Exhibit C; (d) Buyer's right to seek injunctive or other equitable relief; and (e) any other remedies available under this Agreement or Applicable Law.

ARTICLE IX – RISK AND INDEMNITY

9.1 General Indemnity During the Performance Period

Throughout the Performance Period, and to the fullest extent permitted by Applicable Law, each Party shall remain solely responsible for damages, losses, liabilities, or claims caused by its own acts, omissions, negligence, or willful misconduct.

The Seller shall indemnify, defend, and hold harmless the Buyer (PREPA), its agents and operators (including Genera PR and LUMA), and their respective officers, directors, employees, and representatives (collectively, the "Buyer Group") from any third-party claim for personal injury, death, property damage, or other loss arising out of or relating to Seller's activities in performing this Agreement, including the installation, operation, maintenance, handling of fuel, and performance of the Temporary Power Generation Units. Such indemnity shall apply only to the extent the claim results from the Seller's acts, omissions, negligence, strict liability, or willful misconduct.

The Buyer shall indemnify, defend, and hold harmless the Seller and its affiliates (the "Seller Group") from third-party claims for personal injury, death, or property damage arising solely from the operation of PREPA-owned Generation Units or downstream Buyer facilities, and only to the extent such claim results from the Buyer's acts, omissions, negligence, strict liability, or willful misconduct.

LG

Nothing in this Article limits the Buyer's right to seek damages, penalties, shortfall compensation, liquidated damages, offsets, or any other remedy expressly provided elsewhere in this Agreement.

DK

9.2 Transfer of Title and Risk

Title to, and risk of loss for, electricity generated under this Agreement shall transfer to the Buyer only at the Delivery Point identified in Exhibit E (the 115 kV or 230 kV switchyard at Aguirre or if applicable any Additional Site).

JU

Until such transfer occurs, the Seller remains fully responsible for all environmental releases, spills, contamination, equipment failure, operational error, or any incident involving Seller's personnel, equipment, or fuel handling

After the Delivery Point, the Buyer shall assume responsibility solely for events arising from PREPA's downstream infrastructure.

9.3 Environmental and Title Indemnity

The Seller shall indemnify the Buyer Group for all environmental damages, regulatory violations, fines, penalties, title defects, and third-party claims arising from Seller's activities prior to the Delivery Point. This includes LNG storage, regasification, fuel handling or delivery, emissions, discharges, or any construction, mobilization, or preparatory works performed by Seller.

The Buyer shall indemnify the Seller Group only for environmental conditions existing at the Project Sites prior to Seller's mobilization, but solely to the extent such conditions were not caused or worsened by Seller's actions or omissions.

9.4 Notice and Defense of Claims

A Party seeking indemnification shall promptly notify the indemnifying Party upon becoming aware of any claim, demand, or proceeding. The indemnifying Party may assume the defense, provided the resolution does not impose obligations, payments, or admissions on the indemnified Party without its prior written consent. The indemnified Party may participate in the defense at its own expense and shall reasonably cooperate.

Failure to provide timely notice shall not relieve the indemnifying Party of its obligations unless the delay materially prejudices the defense of the claim.

9.5 Excluded Damages

Neither Party shall be liable to the other for indirect, incidental, special, punitive, or consequential damages, including loss of profits, revenue, or goodwill. These exclusions shall not apply to:

(a) amounts expressly recoverable under Article VI (Seller's Performance Shortfall);

(b) payments required under Article X (Invoicing and Payment);

(c) penalties, liquidated damages, or offsets expressly stated in this Agreement;

(d) indemnification obligations under this Article IX; or

(e) damages arising from willful misconduct or fraud.

The exclusions in this Section do not apply to regulatory fines, FEMA compliance violations, or environmental liabilities attributable to the Seller under Section 9.3.

9.6 Third-Party Beneficiaries

Members of the Buyer Group and Seller Group are expressly designated as third-party beneficiaries solely with respect to the indemnity obligations under this Article IX. No other provision of this Agreement confers third-party beneficiary status unless expressly stated.

ARTICLE X – INVOICING AND PAYMENT

10.1 Payment Rate and Measurement

The Buyer shall compensate the Seller at the kWh rates set forth in Exhibit B for the ten (10)-year Term of this Agreement. No additional indexing or adjustment factor shall apply.

All energy delivered by the Seller shall be measured at the metering points located at the 115 kV and/or 230 kV switchyards at the Aguirre Power Plant or if applicable to any Additional Site. All measurements shall be made by metering systems operated by LUMA and validated pursuant to Article VII (Measurement, Testing, and Operations). Only verified and accepted kilowatt-hour (kWh) values shall be eligible for compensation.

Buyer will charge all payments owed under this Agreement to its designated budget account number 01-2321-23235-000-000. Buyer estimates that its total cost under this Agreement will not exceed $5,886,720,000.00. These values are included solely to satisfy Puerto Rico Comptroller requirements and do not modify, limit, or expand any rights or obligations of either Party.

10.2 Monthly Invoicing Requirements

The Seller shall submit a Monthly Invoice on or before the tenth (10th) calendar day of each month. Each Monthly Invoice shall reflect the total kWh delivered during the preceding month multiplied by the applicable $/kWh rate in Exhibit B. Each Invoice shall include: (a) daily and monthly kWh reports, (b) uptime percentage for the billing period, (c) environmental and regulatory compliance confirmation, and (d) a certification signed by an authorized Seller representative attesting to the accuracy of the invoice and confirming that no public official has received any unauthorized benefit.

Any approved logistics-related charges shall be itemized separately.

10.3 Payment Terms and Method

Buyer shall pay all undisputed amounts within thirty (30) calendar days after receipt of a valid Monthly Invoice. Payments shall be made by wire transfer to the bank account designated by Seller in writing.

If Buyer disputes any portion of an invoice, it shall notify Seller in writing within twenty (20) days of receipt, identifying the disputed items. Buyer shall pay all undisputed amounts by the original due date. Once the Parties resolve the disputed amount, Buyer shall pay the resolved amount within fifteen (15) days of resolution, together with interest at the maximum rate permitted by applicable law accruing from the original invoice date.

10.4 Late Payment and Remedies

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Any undisputed amount not paid within thirty (30) days of receipt of a valid invoice shall accrue interest at the maximum rate permitted by applicable law beginning on the day after the due date and continuing until paid in full.

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If Buyer fails to pay any undisputed amount within five (5) Business Days after receiving written notice of non-payment from Seller, Seller may suspend services until payment is received. If Buyer remains in default for more than sixty (60) days after such notice, Seller may terminate this Agreement, such termination shall be deemed a Termination for Convenience by Buyer, and Buyer shall be obligated to pay the Termination Payment and all other amounts due and owing.

Initial JW

Comptroller Registration Compliance: Pursuant to Law No. 18 of October 30, 1975, as amended, no payments shall be made under this Agreement until the Agreement is duly registered with the Office of the Comptroller of Puerto Rico. Seller shall provide all documentation necessary to complete such registration.

ARTICLE XI – DUTIES, TAXES AND CHARGES

Each Party shall be responsible for all taxes, duties, charges, licenses, and levies imposed by any Governmental Authority that are attributable to their respective roles and obligations under this Agreement. The Seller shall be solely responsible for all duties, levies, import fees, taxes, and associated charges arising from the importation, mobilization, deployment, operation, repair, or maintenance of the mobile or land-based power generation units. This includes all sales, use, value-added, gross receipt, or excise taxes assessed on the equipment, components, fuel, infrastructure, or labor utilized by the Seller in delivering power to the grid under the Project Site $/kWh rates specified in Exhibit B.

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If the Buyer is required to pay, remit, or withhold any taxes that are legally the Seller's obligation, the Seller shall reimburse the Buyer promptly upon presentation of reasonable evidence of such payment. Both Parties shall cooperate in providing or exchanging the documentation necessary to support tax exemption claims, credit eligibility, incentive program benefits, or regulatory filings under applicable Puerto Rico or U.S. federal tax laws, provided that such cooperation does not impose a material burden on the non-requesting Party.

The Seller represents and warrants that it is the importer of record for all equipment, components, or fuel used in connection with this Agreement and shall comply with all import-related obligations, including filing entries, paying customs duties, maintaining accurate records, and satisfying all reporting requirements under applicable federal and Puerto Rico law.

ARTICLE XII – FORCE MAJEURE

12.1 Definition and Scope

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Except for the Buyer's obligation to make payments when due, neither Party shall be liable for any failure or delay in performing its obligations under this Agreement if such failure or delay is caused by a Force Majeure event. A Force Majeure event shall mean an occurrence beyond the reasonable control of the affected Party which could not have been prevented or mitigated through the exercise of a Reasonable and Prudent Operator and which renders performance temporarily impossible rather than merely more expensive or inconvenient. A Force Majeure event includes, as applicable, severe natural disasters such as hurricanes, earthquakes, floods, tsunamis, explosions, acts of war, terrorism, widespread civil unrest, declared epidemics or pandemics, port closures imposed by governmental authorities, or a collapse of Buyer-owned transmission infrastructure that prevents the physical acceptance of power at the Delivery Point at the Aguirre Power Plant or if applicable any Additional Site switchyards. Delays or denials in governmental permits or authorizations qualify only when the affected Party demonstrates that it submitted complete and accurate applications and pursued all reasonable alternatives consistent with the Reasonable and Prudent Operator standard.

12.2 Exclusions

A Force Majeure event shall not include economic hardship, fluctuations in market conditions, bankruptcy or inability to pay of a Party or its contractors, breakdown or defect of Seller's equipment or any subcontractor's equipment, failure to secure or maintain permits or approvals except where the Seller demonstrates compliance with all requirements of a Reasonable and Prudent Operator, changes in market prices for fuel or labor, or labor strikes or industrial actions affecting only the Seller or its Affiliates. It shall also not include LNG supply chain disruptions where Seller could reasonably have arranged alternative cargoes, scheduling, or logistics, nor curtailment or dispatch instructions issued by the Buyer or its operator, as these matters are expressly contemplated under Article V. In addition, Seller may not invoke Force Majeure relief with respect to: (a) failure to achieve any milestone set forth in Exhibit G (Commercial Operating Date Milestone Schedule) where such failure results from Seller's lack of diligence in submitting complete and timely permit applications, executing required LNG supply or interconnection agreements, or completing pre-COD construction, installation, or commissioning activities; (b) failure to deploy LNG infrastructure prior to COD as required under Section 2.4; or (c) any Seller Fuel Default as defined herein. Force Majeure relief for pre-COD obligations shall be available only where Seller demonstrates, by clear and contemporaneous documentation, that the affected obligation was rendered impossible — not merely more expensive or inconvenient — by an event meeting all elements of Section 12.1. No Party may invoke Force Majeure if the failure to perform is caused by negligence, poor planning, inadequate staffing, or avoidable equipment failure.

MCOP

12.3 Effect of Force Majeure on Milestones and Schedule

If a Force Majeure Event directly prevents Seller from performing a specific milestone obligation under this Agreement or Exhibit G, the applicable milestone deadline shall be extended solely for the period of actual delay directly caused by such Force Majeure Event, together with any reasonably necessary remobilization period approved by Buyer.

Seller shall not be entitled to automatic or indefinite extensions of milestone deadlines, COD, or other contractual obligations.

Any extension request must:

(a) identify the specific milestone impacted;

(b) demonstrate the direct causal connection between the Force Majeure Event and the delay;

(c) identify all mitigation measures being implemented;

(d) include a recovery plan and revised milestone schedule; and

(e) be supported by reasonable documentation requested by Buyer.

Buyer shall have the right to review, approve, or reasonably reject the requested extension based on the supporting documentation and the operational needs of the Puerto Rico electrical system.

The milestone dates set forth in Exhibit G shall be subject only to approved extensions granted pursuant to Article XII (Force Majeure).

12.4 Notice and Mitigation

A Party seeking to invoke Force Majeure shall notify the other Party in writing within ten (10) days after the occurrence of the event or the date the Party becomes aware of it. The notice shall describe the event, identify the affected obligations, state the expected duration of the disruption, and outline the mitigation steps being taken. The affected Party shall continue to provide periodic written updates and shall take all commercially reasonable actions to avoid or minimize the impact of the event, including the implementation of temporary or alternative solutions, and shall resume performance as soon as conditions permit. Failure to comply with these notice and mitigation obligations shall disqualify the Party from Force Majeure relief.

12.5 Access, Verification, and Documentation

Upon request by the non-affected Party, the affected Party shall provide reasonable access to facilities impacted by the Force Majeure event, provided that such access is safe and does not violate confidentiality or any third-party restrictions. The non-affected Party may request documentation or independent verification to confirm the existence and impact of the event. If such review determines that the event does not qualify as Force Majeure, the costs of verification shall be borne by the Party seeking relief.

12.6 Third-Party Impacts

A Force Majeure event affecting a third party, including LNG suppliers, transporters, or fuel logistics providers, may qualify only if the affected Party demonstrates that the event would have qualified as Force Majeure had it occurred directly to that Party and that the Party exhausted all commercially reasonable alternatives to continue performance, including alternative cargoes, alternative routes, and reasonable operational adjustments. Any event originating in the Seller-controlled LNG logistics chain shall only be considered Force Majeure if the Seller shows that it exercised the diligence and redundancy expected of a Reasonable and Prudent Operator and that the event was not caused by its planning decisions, scheduling errors, or equipment issues.

12.7 Duration and Termination Rights

Force Majeure relief shall begin when the event actually prevents performance, regardless of when notice is provided. If Seller is unable to perform its service obligations due to a Force Majeure event for ninety (90) consecutive days, or for sixty (60) days if Seller is not making diligent, good-faith efforts to resolve the disruption, the Buyer may terminate this Agreement without penalty upon written notice. In such case, the Buyer shall only be responsible for undisputed amounts for services actually delivered prior to the effective termination date, and shall not owe demobilization costs, Termination Payment, or other compensation.

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12.8 Alignment with COD Obligations and Event of Default Triggers

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Notwithstanding any other provision of this Article XII, Force Majeure relief shall not operate to defeat or postpone the Event of Default triggers set forth in Article VIII (Liquidated Damages), Article XV (Termination), or Exhibit C ¶ C.3 (Performance Bond Triggering Events) where the underlying event arises from Seller's pre-COD obligations, including but not limited to permitting, interconnection, LNG infrastructure deployment, equipment delivery, or commissioning. Specifically: (i) the Day 150 Deployment Period deadline threshold under Section 8.2 shall be tolled, if at all, only by Force Majeure events that satisfy Section 12.6 and that affect operations beyond Seller's reasonable control; and (ii) Buyer's right to a short fall draw upon the Performance Bond pursuant to Exhibit C ¶ C.3 for failure to achieve COD by Day 150 shall not be impaired by any claim of Force Majeure relief unrelated to the operational obligations of the Facility.

ARTICLE XIII – REPRESENTATIONS, WARRANTIES, AND LIABILITIES

13.1 Representations and Warranties

Each Party represents and warrants, as of the Effective Date and throughout the Term, that it has full legal authority and capacity to execute and perform this Agreement. The Seller represents that it is a corporation or limited liability company duly organized, validly existing, and in good standing under the laws of its jurisdiction of formation, and that it is duly authorized to conduct business in all jurisdictions required for the performance of its obligations under this Agreement.

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The Buyer, as a public corporation and governmental instrumentality of the Commonwealth of Puerto Rico, represents that it has obtained all required governmental, statutory, regulatory, and fiscal approvals under applicable law, including approvals required under PROMESA, the Fiscal Agency and Financial Advisory Authority, the Oversight Board, and any applicable Title III requirements. Buyer further represents that all payment obligations under this Agreement constitute "Current Expenses" within the meaning of the PREPA Trust Agreement and standard public utility practice, and are essential for the continued operation of its electrical system.

Each Party represents that the execution, delivery, and performance of this Agreement have been duly authorized and do not violate any applicable law, corporate governance requirement, or contractual obligation. This Agreement constitutes a valid and binding obligation of each Party, enforceable in accordance with its terms.

Notwithstanding any other provision, both Parties expressly acknowledge that all Buyer payment obligations under this Agreement are intended to be treated and classified as "Current Expenses" under the PREPA Trust Agreement and Title III of PROMESA. As a condition precedent to payment, this classification must be validated in writing by the legal and financial professionals designated by PREPA in its Title III proceeding and by the Oversight Board or their authorized designees. No payment shall become due until such written validation is delivered to the Parties. If such validation is not obtained, or if any payment is subsequently challenged as not constituting a Current Expense, the Parties shall cooperate in good faith to amend this Agreement or take such lawful actions as necessary to preserve the enforceability of Buyer's payment obligations consistent with bankruptcy law requirements.

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13.2 Title and Delivery Warranty

The Seller warrants that it has good and marketable title to all power delivered under this Agreement at the Delivery Point and that such power is free of all liens, encumbrances, or adverse claims. Seller makes no implied warranties, including merchantability or fitness for a particular purpose, except as specifically set forth in this Agreement. All power delivered must comply with Article IV (Generation Performance and Quality Standards).

13.3 Seller Readiness Obligations

The Seller shall take all actions necessary to begin performance promptly after execution of this Agreement and receipt of required authorizations. These obligations include entering into all contracts necessary for the acquisition, lease, or use of the generation equipment and associated systems; securing all applicable federal, Commonwealth, and municipal permits including, without limitation, environmental, interconnection, emissions, and operational approvals; completing all site preparation, construction, mobilization, and installation activities required for deployment of the land-based generation units and all upstream infrastructure necessary to reach the Delivery Point; executing all fuel supply arrangements, transportation and maritime logistics agreements, port access and bunkering arrangements, and fuel storage or contingency supply systems; ensuring continuous availability of fuel to support full-load operation of the units at Aguirre and or if applicable any Additional Site; and coordinating all technical integrations with Buyer, Genera PR, and LUMA to ensure grid readiness.

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All such readiness obligations shall be performed at Seller's sole cost and risk and in accordance with all timelines established in this Agreement unless otherwise agreed in writing.

13.4 Buyer Readiness Obligations

The Buyer, through its operator, shall use commercially reasonable efforts to ensure it is ready to receive power at the start of the Service Period. These efforts include coordinating completion of any required Interconnection Infrastructure, ensuring the readiness of the grid to accept power at the Delivery Point, and facilitating downstream dispatch preparations Seller shall timely provide Buyer and LUMA with the technical information necessary to support these activities. At Buyer's request, Seller may assist in facilitating or coordinating any permitting activity related to interconnection or grid readiness; however, such facilitation shall not shift responsibility for compliance with permitting requirements away from Buyer or LUMA.

13.5 Limitation of Seller Liability

The Seller's liability for failure to deliver power shall be limited to the compensation and remedies expressly set forth in Article VI (Seller's Performance Shortfall), Article VIII

(Liquidated Damages), and Article X (Invoicing and Payment), except where termination rights are expressly granted under Article XV. This limitation is consistent with the performance-based nature of the Agreement and is intended to provide the Buyer with predictable remedies while ensuring seller accountability for meeting the Power Availability Requirement at Aguirre or if applicable any Additional Site.

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ARTICLE XIV – CONFIDENTIALITY

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Each Party (the "Disclosing Party") may disclose to the other Party (the "Receiving Party") confidential, proprietary, or non-public information relating to this Agreement, including technical, commercial, operational, financial, regulatory, or legal information, whether disclosed orally, in writing, electronically, or in any other form ("Confidential Information"). The Receiving Party shall maintain all Confidential Information in strict confidence and shall use such information solely for the purpose of performing its obligations or exercising its rights under this Agreement.

The Receiving Party shall not disclose Confidential Information to any third party without the prior written consent of the Disclosing Party, except to employees, officers, agents, contractors, legal counsel, consultants, financial advisors, or lenders of the Receiving Party who have a legitimate need to know the information for the purposes of this Agreement and who are bound by confidentiality obligations no less protective than those contained herein. The Receiving Party shall be responsible for ensuring that any such persons comply with these confidentiality requirements.

The confidentiality obligations of this Article shall not apply to information that becomes publicly available through no breach of this Agreement by the Receiving Party; information independently developed by the Receiving Party without the use of or reference to the Disclosing Party's Confidential Information; information lawfully obtained from a third party without restriction and without breach of any confidentiality duty; or information that the Receiving Party is required to disclose under applicable law, regulation, subpoena, order of a Governmental Authority, or obligations arising from the Buyer's status as a public instrumentality. In such cases, the Receiving Party shall, to the extent legally permissible, provide prompt written notice to the Disclosing Party to allow an opportunity to seek a protective order or limit the scope of the disclosure.

Nothing in this Article shall restrict Buyer's ability to comply with its transparency obligations as a public corporation, including disclosures required under the Puerto Rico Comptroller Act, PROMESA, the Oversight Board, the Puerto Rico Fiscal Agency and Financial Advisory Authority, or any other applicable regulatory or government body. Buyer's statutory disclosure duties shall supersede any contrary provision in this Agreement.

All confidentiality obligations under this Article XIV shall survive the expiration or termination of this Agreement for a period of five (5) years.

ARTICLE XV – TERMINATION

15.1 Immediate Seller Events of Default

Except to the extent excused under Section 2.5 or Article XII, the occurrence of any of the following shall constitute an immediate Seller Event of Default without opportunity to cure: (i) abandonment or unauthorized cessation of operations; (ii) fraud, corruption, bribery, or violation of applicable ethics, anti-corruption, or government contracting laws; (iii) unauthorized diversion of LNG, fuel supply, generation capacity, or committed resources; (iv) assignment or transfer of this Agreement in violation of its terms; (v) bankruptcy, insolvency, receivership, liquidation, or similar financial distress proceedings involving Seller, (vi) intentional falsification, manipulation, withholding, or misrepresentation of operational, metering, compliance, or reporting data; (vii) failure to maintain required insurance coverage, permits, licenses, or Performance Bond requirements, (viii) criminal conviction, regulatory disqualification, suspension, debarment, or loss of authority necessary to perform this Agreement; or (ix) any willful misconduct or gross negligence materially threatening grid reliability, public safety, environmental compliance, or the operational integrity of PREPA's electrical system.

Upon the occurrence of any such Event of Default, Buyer may immediately suspend Seller's operations, dispatch rights, interconnection activities, fuel-related activities, or mobilization activities; exercise rights under the Performance Bond; terminate this Agreement pursuant to this Article XV; offset any amounts owed by Seller against amounts otherwise payable under this Agreement; procure replacement power or substitute services; and exercise any other remedies available under this Agreement or Applicable Law.

15.2 Curable Seller Events of Default

Except to the extent excused under Section 2.5 or Article XII, the occurrence of any of the following shall constitute a curable Seller Event of Default: failure to comply with the milestone schedule set forth in Exhibit G; failure to achieve COD or any revised COD approved in writing by Buyer (Section 2.5) within the timeframes required under this Agreement, repeated Power Generation Shortfalls or failure to maintain required Power Availability levels; failure to provide operational, metering, compliance, or reporting information required under this Agreement; failure to comply with maintenance, operational, environmental, permitting, or regulatory obligations; failure to implement or comply with an approved corrective action plan; or any other material breach of Seller's operational obligations that does not constitute an Immediate Seller Event of Default under Section 15.1.

Upon the occurrence of a curable Seller Event of Default, Buyer shall provide written notice describing the applicable deficiency and Seller shall within five (5) business days commence corrective action and diligently pursue cure within the applicable cure period expressly set forth in this Agreement or, if no specific cure period is stated, within thirty (30) days after receipt of such notice; provided, however, that if the applicable default is not reasonably capable of cure within such period, Seller shall not be deemed in continuing default so long as Seller is diligently pursuing cure and complying with an approved recovery plan acceptable to Buyer.

Failure to timely cure a curable Seller Event of Default may result in Liquidated Damages, suspension rights, Performance Bond remedies, offsets, procurement of replacement power, termination rights, or any other remedies available under this Agreement or Applicable Law.

15.3 Buyer Events of Default

Buyer shall be deemed in default under this Agreement only upon: (i) failure to pay undisputed amounts properly invoiced under Article X within thirty (30) days after receipt of written notice of non-payment; or (ii) material breach of a payment obligation expressly required under this Agreement that remains uncured for thirty (30) days after written notice from Seller.

Seller's remedies for a Buyer Event of Default shall be limited solely to: (a) recovery of undisputed amounts properly payable under this Agreement for electric energy actually delivered, metered, accepted, and invoiced prior to termination; and (b) termination rights expressly provided under this Article XV. Seller shall not be entitled to lost profits, future revenues, stranded investment recovery, financing costs, expectation damages, or any form of make-whole compensation.

15.4 Suspension Rights

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Upon the occurrence of a Seller Event of Default, Buyer may suspend dispatch, operations, interconnection activities, fuel deliveries, mobilization activities, or other performance obligations upon written notice to Seller. During such suspension, Buyer shall have no liability for reduced dispatch, reduced generation, curtailment, or failure to receive energy from Seller.

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If Seller cures the applicable default within the permitted cure period, Buyer may withdraw the suspension notice and restore normal operations without prejudice to any accrued rights, remedies, Liquidated Damages, or offsets.

YN

15.5 Termination Rights

This Agreement may be terminated:

(a) by mutual written agreement of the Parties;

(b) by Buyer for convenience upon at least ninety (90) days' prior written notice to Seller;

(c) by Buyer upon the occurrence of an uncured Seller Event of Default;

(d) by Buyer upon the occurrence of an immediate Seller Event of Default under Section 15.1;

(e) by Buyer if a Force Majeure Event continues for more than sixty (60) consecutive days and materially prevents achievement of COD or continued operation of the Facility; or

(f) by Seller solely upon the occurrence of an uncured Buyer Event of Default under Section 15.3.

15.6 Remedies Upon Seller Event of Default

Upon the occurrence of a Seller Event of Default, Buyer may exercise one or more of the following remedies: (i) assess Liquidated Damages pursuant to Article VIII; (ii) suspend Seller operations, dispatch rights, interconnection activities, or fuel-related activities; (iii) require corrective action plans and recovery schedules; (iv) offset amounts owed by Seller against payments otherwise due; (v) procure replacement power or substitute services; (vi) execute or draw upon the Performance Bond pursuant to Exhibit C; (vii) terminate this Agreement pursuant to this Article XV; (viii) seek injunctive or equitable relief; and/or (ix) pursue any other remedy available under this Agreement or Applicable Law.

Except where expressly stated otherwise, the remedies set forth in this Agreement shall be cumulative and not exclusive.

15.7 Demobilization Upon Termination or Expiration

Upon expiration or termination of this Agreement, Seller shall promptly demobilize and remove its equipment from the Project Sites in accordance with applicable safety, environmental, and operational requirements and any demobilization procedures reasonably established by Buyer.

Seller shall remain responsible for securing the Project Sites, removing Seller-owned equipment and materials, and complying with all applicable environmental and regulatory obligations arising from Seller's activities at the Project Sites.

15.8 Survival

Termination or expiration of this Agreement shall not affect any rights, obligations, liabilities, or remedies accrued prior to the effective date of termination, including rights relating to indemnification, confidentiality, regulatory compliance, payment obligations, offsets, Liquidated Damages, Performance Bond rights, audit rights, dispute resolution obligations, or any other provision which by its nature is intended to survive termination.

15.9 Exclusive Termination Compensation

Except as expressly provided in this Agreement, including Section 3.1.1(c) with respect to Eligible Demobilization Costs arising from a Buyer Termination for Convenience occurring during the first thirty-six (36) months following COD, upon termination of this Agreement for any reason:

(a) Buyer shall have no obligation to pay for any undelivered energy, unused capacity, future availability, stranded investment, financing costs, return on equity, demobilization costs, or lost profits;

(b) Seller shall only be entitled to payment for electric energy actually delivered, metered, accepted, and invoiced prior to the effective date of termination;

(c) termination shall not relieve Seller of liability for accrued obligations, Liquidated Damages, indemnity obligations, regulatory violations, or other liabilities arising prior to termination; and

(d) the remedies expressly set forth in this Agreement shall govern the Parties' rights and obligations following termination.

ARTICLE XVI – NOVATION AND ASSIGNMENT

No amendment, modification, or change order to this Agreement shall constitute a novation unless such novation is expressly and unequivocally stated in writing and signed by both Parties. A time extension granted by the Buyer, a waiver of any right, or any adjustment to obligations under this Agreement shall never be interpreted as a novation unless expressly identified as such. Any modification shall be binding only to the extent expressly stated in writing, and no modification, waiver, or extension shall alter the fundamental rights, obligations, or liabilities of the Parties unless expressly agreed as a novation.

The Seller shall not assign, transfer, pledge, or otherwise convey any of its rights or obligations under this Agreement without the prior written consent of the Buyer, which may be granted, withheld, or conditioned in the Buyer's sole and absolute discretion. Any attempted assignment without such consent shall be null, void, and without effect. The Buyer may require the Seller to provide all documents necessary to evaluate any assignment request, including financial and legal assurances regarding the proposed assignee.

Notwithstanding the foregoing, the Seller may request Buyer's written consent to assign its rights to receive payments under this Agreement to a lender or financing party (including any agent or trustee acting on behalf of such financing party) as part of a bona fide financing transaction. Any such assignment shall not relieve the Seller of any of its duties, liabilities, or performance obligations under this Agreement, all of which shall remain solely and exclusively with the Seller.

Nothing in this Article shall limit Buyer's unrestricted right to assign its rights or delegate its obligations, in whole or in part, to any governmental instrumentality, fiscal agent, or operator acting on its behalf, including Genera PR and LUMA Energy, without consent from Seller.

ARTICLE XVII – CHANGE IN LAW

If any change in applicable law, regulation, rule, directive, permit requirement, governmental mandate, or interpretation thereof occurs during the Term of this Agreement, including changes in environmental, tax, safety, maritime, energy, operational, or procurement regulations, any resulting increase in the cost of performance, compliance, permitting, operation, labor, equipment, or fuel logistics shall be borne solely and exclusively by the Seller. The Buyer shall have no obligation to adjust, increase, or modify the Contract Price, nor shall the Buyer be required to compensate the Seller for any additional expenses, delays, or impacts arising from such changes in law.

The Seller shall remain fully responsible for performing all obligations at the prices and commercial terms agreed upon in this Agreement, without adjustment. No pass-through of costs, surcharges, assessments, or additional fees shall be permitted under this Article or any other provision of this Agreement.

The Seller further agrees that it will not undertake, support, or facilitate any action intended to effect or influence a change in law, regulation, or governmental requirement that could reasonably be expected to increase Seller's cost of performance or otherwise adversely impact Buyer. Any violation of this obligation shall constitute a material breach.

Nothing in this Article shall impair Buyer's right to enforce regulatory compliance or to require Seller to promptly implement all measures necessary to comply with any new or amended legal or regulatory requirements at Seller's sole cost and risk.

ARTICLE XVIII – APPLICABLE LAW

This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico. Any legal action or proceeding relating to, arising from, or affecting the PREPA Bankruptcy or any matter governed by Title III of PROMESA shall be brought exclusively before the United States District Court for the District of Puerto Rico.

All other actions, claims, or proceedings arising under or relating to this Agreement shall be brought exclusively before the courts of the Commonwealth of Puerto Rico, to whose jurisdiction the Parties irrevocably submit. The Parties expressly waive any objection based on forum non conveniens and irrevocably waive the right to trial by jury in any action or proceeding arising out of or relating to this Agreement.

ARTICLE XIX – CODE OF ETHICS

19.1 Anti-Corruption Controls

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Each Party represents and warrants that it maintains internal controls, policies, and compliance procedures designed to ensure adherence to all applicable anti-corruption, anti-fraud, and ethical conduct laws. These controls must prevent the offering, giving, soliciting, or accepting of any improper financial or other benefit in connection with the performance of this Agreement.

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19.2 Prohibited Conduct

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Each Party certifies that it has not offered, promised, or authorized the giving of any financial or other advantage to any public official, candidate for office, or private individual in violation of applicable anti-bribery laws. Compliance with this Article is a material obligation of this Agreement. Any violation shall constitute grounds for termination for cause by the non-breaching Party.

ARTICLE XX – SETTLEMENT OF DISPUTES

20.1 Exclusive Jurisdiction

Any claim, dispute, disagreement, or controversy arising between the Parties relating to this Agreement, except matters expressly designated for Expert determination under Section 20.2, shall be adjudicated exclusively in the United States District Court for the District of Puerto Rico. During the pendency of any dispute, each Party shall continue to perform its obligations under this Agreement, except where such obligations have been validly suspended under the terms herein. The Buyer shall continue paying all undisputed amounts under Article X while any dispute is resolved

20.2 Expert Determination

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Disputes limited to the determination of fuel or power quality under Article IV, or to measurement, testing, or operational procedures under Article VII, may be submitted to an independent expert for resolution. Either Party may request Expert determination by providing written notice to the other. The Parties shall jointly select the Expert within ten (10) Days of such notice. If no agreement is reached, either Party may request that the International Centre for Expertise of the International Chamber of Commerce appoint the Expert pursuant to the ICC's Rules for Expertise.

The Expert shall act in a technical, non-arbitral capacity and shall remain impartial at all times. The proceeding shall be conducted in San Juan, Puerto Rico in English. The Parties shall cooperate in good faith to provide any documents, data, personnel, or facility access the Expert reasonably requires. Before issuing a final determination, the Expert shall provide a draft report for comment. The Expert shall endeavor to issue a final determination within thirty (30) Days of appointment, and in no event later than sixty (60) Days. The Expert's final determination shall be binding on both Parties.

20.3 Qualification of Experts

No individual may serve as an Expert if the individual: has been an employee of either Party or its Affiliates within the last ten (10) years; has been a consultant or seller to either Party within the last five (5) years; holds a financial interest in either Party, or lacks at least ten

(10) years of relevant professional experience in the North American natural gas or power generation industry. Within two (2) months of the Effective Date, the Parties shall attempt to establish a mutually acceptable list of qualified experts for future reference.

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ARTICLE XXI – NON-WAIVER

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No failure or delay by either Party in enforcing any provision of this Agreement, or in exercising any right or remedy arising from a breach, shall be construed as a waiver of such provision, right, or remedy. No waiver shall be effective unless expressly stated in writing and signed by the waiving Party. A waiver of any specific breach or default shall not constitute a waiver of any subsequent or different breach, and no course of dealing or performance shall alter the strict enforcement of this Agreement unless expressly agreed in writing.

ARTICLE XXII – CONFIDENTIALITY AND CYBERSECURITY OBLIGATIONS

22.1 Confidential Information

Each Party (the "Receiving Party") shall maintain the confidentiality of all non-public information disclosed by the other Party (the "Disclosing Party") in connection with this Agreement. Confidential Information includes technical, commercial, operational, financial, legal, or strategic information, regardless of the method of disclosure.

22.2 Permitted Disclosures

Confidential Information may be disclosed without prior consent only to: (i) employees, officers, directors, or Affiliates with a need to know; (ii) lenders, auditors, and financial advisors for financing, audit, or compliance purposes; (iii) Governmental Authorities, as required by applicable law; and (iv) consultants or technical service providers involved in this Agreement, provided they are subject to confidentiality obligations no less protective than those set forth herein.

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22.3 Third-Party Compliance

The Receiving Party shall ensure that all third parties receiving Confidential Information comply with confidentiality obligations equivalent to those in this Agreement.

22.4 Disclosure Required by Law

If disclosure is required by law, regulation, subpoena, or order of a Governmental Authority, the Receiving Party shall provide prompt written notice to the Disclosing Party (to the extent legally permissible) to allow an opportunity to seek protective measures. Buyer's statutory disclosure duties as a public instrumentality shall prevail over any conflicting confidentiality restriction.

22.5 Public Announcements

No public communication regarding this Agreement shall be issued without the prior written approval of the other Party, unless disclosure is legally required.

22.6 Cybersecurity Obligations

If Seller accesses PREPA, Genera PR, or LUMA information systems, Seller shall implement and maintain an industry-standard cybersecurity program, including access controls, encryption, intrusion detection, and incident-response protocols. Buyer may audit Seller's cybersecurity controls at any time. Seller shall immediately notify Buyer of any suspected or confirmed cybersecurity incident or data breach.

22.7 Remedies

Both Parties retain all legal and equitable remedies, including injunctive relief, to address any actual or threatened breach of this Article. Nothing herein limits Buyer's rights under Articles IX, XX, or any statutory enforcement authority.

ARTICLE XXIII – NOTICES

All formal notices, approvals, or communications under this Agreement shall be in writing and delivered to the addresses specified in Article XXV (Addresses for Notices). Notices shall be delivered personally, by certified mail, by recognized overnight courier, or electronically with confirmation of receipt. All notices shall be in English unless otherwise agreed in writing. Notice is effective upon confirmed receipt.

ARTICLE XXIV – CONTINGENT FEES

Seller certifies that it has not engaged or retained any agent, broker, or intermediary to solicit, negotiate, or secure this Agreement based on a contingent fee, commission, percentage, or any other compensation dependent on the award of this Agreement. A breach of this certification constitutes a material breach and entitles Buyer to terminate this Agreement for cause or to reduce compensation owed to Seller by the amount of any such prohibited fee. This prohibition does not apply to bona fide employees or established commercial representatives engaged in ordinary sales operations.

ARTICLE XXV – ADDRESSES FOR NOTICES

25.1 Notices

Any notice, request, demand, consent, approval, report, instruction, or other communication required or permitted under this Agreement shall be in writing and shall be deemed properly delivered when delivered personally, sent by nationally recognized courier, transmitted by electronic mail with confirmation of transmission, or deposited in certified United States mail, postage prepaid, addressed as follows:

If to Buyer (PREPA):

With Copies To:

Puerto Rico Public-Private Partnerships Authority
Attention: Josué Colón – Executive Director

Initial
LC

and

Initial
DK

With a copy to (not constituting notice):

Genera PR LLC, agent of PREPA
Fuels Office

Initial
JW

If to Seller (Power Expectations):

Power Expectations, LLC
Attn: Mr. Eddie Echevarria - Chief Executive Officer

With Copy To:

Power Expectations, LLC
Attn: Landon Gallagher - Director of Operations

MCofr

Either Party may modify its notice information by written notice delivered in accordance with this Article. Notices delivered by electronic mail shall be effective upon confirmation of successful transmission, provided that a copy is also sent by nationally recognized courier or certified mail within two (2) Business Days.

ARTICLE XXVI – BUSINESS PRACTICES AND FOREIGN CORRUPT PRACTICES ACT

Each Party shall conduct all activities related to this Agreement in full compliance with all Applicable Laws, including the United States Foreign Corrupt Practices Act (FCPA), Puerto Rico anti-corruption statutes, and any other relevant anti-bribery or ethical conduct laws. Neither Party shall offer, promise, solicit, or authorize any bribe, facilitation payment, kickback, or improper benefit in connection with this Agreement.

No contingent fees shall be paid to brokers, intermediaries, or agents except to bona fide employees or duly established commercial representatives. Each Party shall indemnify and hold harmless the other Party for any fines, penalties, losses, or liabilities arising out of a breach of this Article.

The Seller shall ensure that all subcontractors, representatives, and agents acting on its behalf comply with the same ethical and anti-corruption standards, and any violation by such parties shall be deemed a violation by the Seller.

ARTICLE XXVII – TRANSFER OF FUNDS

Initial LG

If the Seller assigns or transfers any right to receive payment under this Agreement, it shall strictly comply with Act 21-2012 and provide prior written notice to the Buyer. The notice shall include a copy of the transfer instrument, the specific amount assigned, and the full contact information of the assignee, including name, address, and telephone and email information. No assignment or transfer shall be effective against the Buyer until such notice is delivered and acknowledged in accordance with Article XXV (Addresses for Notices).

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ARTICLE XXVIII – CONFLICT OF INTEREST

The Seller certifies that neither it nor any of its principals, officers, employees, or representatives involved in the performance of this Agreement is an employee of the Commonwealth of Puerto Rico, any public corporation, or any governmental entity, nor holds any economic interest in this Agreement that would create a prohibited conflict under applicable Puerto Rico law.

The Seller further certifies that it did not obtain confidential evaluation materials, competitor pricing, or any non-public information that would give it an improper advantage in connection with the procurement process. The Seller shall promptly disclose to the Buyer any circumstances arising during the Term that may be reasonably perceived as a conflict of interest. Any failure to disclose may constitute grounds for termination for cause.

ARTICLE XXIX – UNFAIR LABOR PRACTICE

If the Seller or any of its subcontractors is adjudicated by the Puerto Rico Labor Relations Board or the National Labor Relations Board as having engaged in an unfair labor practice, the Buyer shall withhold all further payments until the violation is remedied. Such determinations shall be binding on the Parties unless reversed or vacated by a court of competent jurisdiction. Withholding of payment under this Article shall not constitute a breach by the Buyer.

ARTICLE XXX – NON-DISCRIMINATION

The Seller certifies that it is an equal opportunity employer and does not engage in discriminatory practices prohibited by applicable federal or Puerto Rico law, including discrimination based on race, color, religion, political affiliation or beliefs, sex, sexual orientation, gender identity, national origin, age, disability, or any other protected classification. The Seller shall ensure that all subcontractors and agents comply with these requirements. Any violation of this Article shall constitute grounds for termination for cause.

ARTICLE XXXI – COMPLIANCE WITH COMMONWEALTH CONTRACTING REQUIREMENTS

The Seller shall comply with all laws, regulations, circular letters, executive orders, procurement rules, and fiscal controls applicable to contracting with the Commonwealth of

Puerto Rico, including all certifications required under Exhibit D (Seller Certifications). All such certifications are incorporated into and form part of this Agreement.

If the Puerto Rico Treasury Department, CRIM, the Department of Labor, or any other government entity identifies an outstanding debt or non-compliance attributable to the Seller or its subcontractors, and the Seller fails to cure or resolve the issue within the permitted timeframe, the Buyer may offset such amounts from any payments due under this Agreement. The Seller shall ensure that all subcontractors comply with these requirements and shall provide evidence of such compliance upon request.

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ARTICLE XXXII – PUBLIC OFFICERS AND EMPLOYEES

The Seller certifies compliance with 3 L.P.R.A. § 8615, including the prohibitions against contracting with: (i) any public official or employee who has a direct or indirect personal or economic interest in this Agreement within the preceding four (4) years; or (ii) any former government employee within two (2) years of separation from public service, unless specifically authorized by Puerto Rico law.

Any violation of this Article shall constitute a material breach and may result in immediate termination for cause.

ARTICLE XXXIII – DISPENSATION

The Seller certifies that all dispensations, special authorizations, or regulatory waivers required from Commonwealth or federal authorities for its participation in this procurement have been obtained and are included in the contract record. No additional dispensations shall be deemed applicable unless granted in writing and approved by the appropriate governmental authority.

ARTICLE XXXIV – RULES OF PROFESSIONAL ETHICS

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The Seller acknowledges its obligation to comply with all professional, technical, and ethical standards applicable to its field of practice, including industry standards and any ethical rules imposed by licensing bodies or regulatory agencies. Failure to comply with such standards shall constitute a material breach of this Agreement.

ARTICLE XXXV – ANTI-CORRUPTION CODE FOR A NEW PUERTO RICO

The Seller agrees to comply fully with the requirements of Act 2-2018 (Anti-Corruption Code for a New Puerto Rico) and Act 14-2004. The Seller affirms that it represents no conflicting interest in connection with this Agreement and certifies that it will use goods produced or distributed in Puerto Rico when such goods are available and meet required specifications, consistent with Puerto Rico law. Violation of this Article shall constitute grounds for termination for cause.

ARTICLE XXXVI – CONTRACT REVIEW POLICY

The Seller reaffirms its submission of the "Seller Certification Requirement" required under Exhibit D (Seller Certifications). Given the specialized, technical, and non-recurring nature of the services procured under this Agreement, the workforce transfer-of-skills provisions contained in the Fiscal Plan or related Commonwealth workforce development directives shall not apply.

ARTICLE XXXVII – INSURANCE

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LG

The Seller shall, at its sole cost and expense, procure and maintain the insurance coverages described in this Article from the date of issuance of the Notice to Proceed and continuing throughout the entire Term of this Agreement. The Seller shall not mobilize, deliver equipment, or commence any work unless and until evidence of all required insurance has been delivered to and accepted by the Buyer. All required insurance shall be primary and non-contributory with respect to any insurance maintained by the Buyer, Genera PR LLC, or LUMA Energy LLC.

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The Seller shall maintain Worker's Compensation Insurance in accordance with Act No. 45 of April 18, 1935 (the Puerto Rico Worker's Compensation Act), and shall furnish the Buyer with a certificate from the State Insurance Fund confirming full coverage for all personnel engaged in work under this Agreement. Imported technical personnel exempt under Act No. 16 of May 16, 1958 must provide evidence of exemption and a certificate from their insurance carrier.

The Seller shall maintain Commercial General Liability Insurance with limits of not less than one million dollars (US$1,000,000) per occurrence and two million dollars (US$2,000,000) in the aggregate. This coverage shall include contractual liability, explosion, collapse, and underground damages, and products and completed operations. PREPA, Genera PR LLC, and LUMA Energy LLC shall be named as additional insureds.

The Seller shall maintain Automobile Liability Insurance with a combined single limit of not less than one million dollars (US$1,000,000) per occurrence, covering owned, non-owned, and hired vehicles. PREPA, Genera PR LLC, and LUMA Energy LLC shall be named as additional insureds.

The Seller shall maintain Excess Umbrella Liability Insurance with limits of not less than four million dollars (US$4,000,000) per occurrence in excess of the Commercial General Liability Insurance and Automobile Liability Insurance. PREPA, Genera PR LLC, and LUMA Energy LLC shall be named as additional insureds.

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Beginning on the Commercial Operation Date, the Seller shall maintain All-Risk Physical Damage Property Insurance, including machinery insurance, covering all real and personal property of the Seller (including hurricane and earthquake coverage) at one hundred percent (100%) of replacement cost. This coverage shall apply to property at the Site, property in transit, and property located off-site but associated with the work. Scaffolding, temporary structures, false work, tools, and temporary buildings must also be covered.

If not included in the All-Risk Physical Damage Policy, the Seller shall maintain a separate Equipment Breakdown Policy covering all equipment and machinery used in the performance of the Agreement. PREPA, Genera PR LLC, and LUMA Energy LLC shall be named as additional insureds.

The Seller shall maintain Employer's Liability Insurance with minimum limits of not less than one million dollars (US$1,000,000) for each employee and one million dollars (US$1,000,000) for each accident, covering bodily injury or disease, including death, arising out of and in the course of employment.

The Seller shall maintain Business Interruption Insurance and Cyber Insurance, each on terms consistent with market standards for independent power projects. Such policies shall take effect no later than the Commercial Operation Date.

All required policies, except for Worker's Compensation Insurance, Professional Liability Insurance, or any coverage where inclusion is prohibited by law, shall name the following entities as additional insureds: Puerto Rico Electric Power Authority Risk Management Office, Genera PR LLC, American

LUMA Energy LLC and LUMA Energy ServCo, LLC,

Each policy shall include a provision requiring the insurer to provide thirty (30) days' prior written notice of cancellation or non-renewal (ten (10) days in the case of non-payment of premium), sent by certified mail to the Seller and copied to the Buyer. Each policy shall include a contractual liability endorsement identifying this Agreement by title, date, and Parties; a waiver of subrogation in favor of PREPA, Genera PR LLC, and LUMA Energy LLC; and a provision stating that breach of warranties or conditions by the Seller shall not prejudice the rights of PREPA.

The Seller shall ensure that its subcontractors maintain insurance policies consistent with the coverages described in this Article. The Seller shall remain responsible for any deficiency in subcontractor insurance coverage.

ARTICLE XXXVIII – GENERAL PROVISIONS

The Parties acknowledge that they have actively participated in the drafting and negotiation of this Agreement, including all Exhibits, Annexes, Schedules, attachments, and documents incorporated by reference. All such materials form an integral and binding part of this Agreement and shall have the same force and effect as if fully set forth herein.

In the event of any conflict between the provisions of the body of this Agreement and any Exhibit, Annex, or Schedule, the provisions of the Agreement shall govern unless expressly stated otherwise in writing.

This Agreement may be executed in counterparts, each of which shall constitute an original and all of which shall together constitute one and the same instrument. Electronic signatures shall be deemed valid and enforceable for all purposes under applicable law.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

Puerto Rico Electric Power Authority

By: Mary C. Zapata Acosta June 10, 2026

Mary C. Zapata Acosta
Executive Director

Power Expectations, LLC

By: Signed by: Landon Gallagher

Landon Gallagher
COO- Director of Operations

Enchanted Rock, LLC

By: Signed by: Jhoby Weaks

Jhoby Weaks
COO-Caribbean Operations

Reyes Contractor Group, Inc.

By: Signed by: Dennys Reyes

Name: Denis Reyes
Title: President

EXHIBIT A

Scope of Generation Facilities, Operational Obligations, and Energy Delivery Requirements

LG

The Seller shall perform all obligations under this Agreement in a manner consistent with the standards, expectations, and deliverables of a performance-based service contract. The Seller acknowledges and agrees that the Buyer's payment obligations are strictly tied to the actual delivery of services, results, and performance outcomes described in this Agreement, and not merely to the Seller's efforts or attempts to perform.

DR

Accordingly, the Seller shall comply with the following general obligations:

JW

1. Delivery of Contracted Services

The Seller shall deliver the power generation services, outputs, and operational capabilities required under this Agreement in accordance with the operational schedules, technical specifications, and performance expectations established herein and in all applicable Exhibits and Schedules. The Seller shall ensure continuous readiness and the ability to deliver power to the Delivery Points at all times except where expressly excused under the terms of this Agreement.

2. Performance-Based Accountability

The Seller's entitlement to compensation is conditioned on achieving the service results and performance outcomes required by this Agreement. Failure to deliver required performance shall result in adjustments, reductions, offsets, or other remedies available to the Buyer under Article VI (Power Generation Shortfall), Article VIII (Liquidated Damages), Article X (Invoicing and Payment), and Article XV (Termination), without limiting any other rights.

3. Operational Readiness and Reliability

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The Seller shall maintain all equipment, facilities, systems, and personnel necessary to ensure reliable operation, including fuel management, equipment availability, maintenance, and compliance with interconnection requirements. The Seller shall ensure proper staffing, training, and qualification of all personnel involved in the performance of this Agreement.

4. Compliance with Laws and Standards

The Seller shall comply with all applicable federal, Commonwealth, and municipal laws, rules, regulations, permits, and standards, including but not limited to environmental, safety, operational, interconnection, electrical, and permitting requirements. The Seller remains solely responsible for obtaining, maintaining, and complying with all required permits and authorizations.

5. Reporting, Monitoring, and Verification Obligations

The Seller shall provide the Buyer with full and uninterrupted access to operational data, monitoring equipment, metering systems, and all information required for the Buyer to verify performance under this Agreement. All records, reports, and operational logs shall be prepared accurately and in compliance with all requirements in Article VII and Exhibit G. The Buyer may conduct audits or inspections at any time.

6. Coordination with Buyer and System Operator

The Seller shall coordinate closely and continuously with the Buyer, Genera PR, LUMA Energy, and any authorized system operator to ensure safe, reliable, and compliant integration of the power generation systems. The Seller shall provide operational updates, notifications of outages, emergency information, and incident reporting as required.

Initial LG

7. Continuous Improvement and Corrective Action

Initial DK

Upon notice from the Buyer of any shortfall, deficiency, non-compliance, or operational issue, the Seller shall immediately initiate corrective actions and shall implement measures to prevent recurrence. Corrective actions shall not relieve the Seller of performance obligations or financial responsibilities associated with such shortfalls.

Initial JW

8. No Interruption Except as Permitted

The Seller shall not interrupt, reduce, divert, or curtail power generation or fuel supply dedicated to this Agreement, except to the extent expressly permitted under Force Majeure or Buyer-directed reductions. Unauthorized diversion of power or fuel constitutes a material breach.

9. Protection of Buyer's Interests

The Seller shall act at all times in a commercially reasonable manner, consistent with the standards of a prudent operator, and shall not take actions that compromise the Buyer's operational, financial, or regulatory interests. The Seller shall provide immediate written notice if it becomes aware of any condition that may jeopardize the performance of this Agreement.

10. Integration With Performance-Based Payment Structure

The Seller accepts that payment is based on actual delivered service results and acknowledges that failure to perform, delays, operational deficiencies, or non-compliance may result in payment adjustments, offsets, withholdings, or termination under Article XV.

MCOG

EXHIBIT B

PRICE PROPOSAL AND RATE SCHEDULE

lc

B.1 LNG-Based Contract Rate

The price for power generated using LNG fuel is $0.224 per kWh for the entire ten (10)-year Term of this Agreement. This rate is inclusive of all fuel costs, operation and maintenance costs, and overhead. No indexing, escalation, or adjustment shall apply to this rate

DK

B.2 Diesel Compensation Schedule

KN

The following compensation provisions apply when diesel fuel is utilized pursuant to Sections 2.4.1 through 2.4.3 of this Agreement:

Scenario	Compensation Calculation	Payment Direction
Buyer-Elected Diesel (No Seller Default)	$0.160/kWh (Operational Rate)	Buyer pays Seller only Operational Rate.
Seller Fuel Default: Diesel More Expensive than LNG	Actual Diesel Cost Rate (Seller reimburses differential)	Seller reimburses Buyer for the documented cost of diesel fuel used during the applicable Seller Fuel Default period.

B.3 Diesel Price Index

Delivered Diesel Price per Gallon shall be determined as follows

MCG

(a) EIA Weekly Retail On-Highway Diesel Price (Gulf Coast PADD 3) × 1.12 Puerto Rico Delivery Adjustment Factor; or

(b) Actual invoiced delivered cost if Buyer procures diesel directly, with supporting documentation.

B.4 Estimated Contract Value

Based on the Contract Rate of $0.224/kWh, 400 MW COP capacity, 95% availability factor, and 8,760 hours per year:

- Estimated Annual Value: $588,672,000
- Estimated 10-Year Contract Value: $5,886,720,000

Note: Actual payments will be based on metered kWh delivered and accepted at the Delivery Points.

EXHIBIT C

FORM OF PERFORMANCE BOND

LC

DK

JW

C.1 Bond Amount and Term

Seller shall deliver to Buyer, no later than fifteen (15) Business Days after Contract execution, an irrevocable standby letter of credit or on demand performance bond in an amount equal to one hundred percent (100%) of the projected construction-phase contract value ($1,180,000,000). Upon completion of the construction phase and commencement of operations, the required amount of such irrevocable standby letter of credit or performance bond shall be reduced to an amount equal to twenty percent (20%) of the projected annual contract value ($117,734,400). The letter of credit or bond shall remain in effect throughout the Term of this Agreement and for ninety (90) days following expiration or termination.

C.2 Qualifying Issuers

All bonds (including Bid, Performance, and Payment Bonds) must be issued by a surety or insurance company authorized to do business in Puerto Rico by the Office of the Insurance Commissioner and rated no less than "BB+" by A.M. Best. Bonds must be submitted in the form of a guarantee from such an approved surety.

C.3 Performance Bond Triggering Events

Buyer shall be entitled to call or execute the Performance Bond upon the occurrence of any of the following events:

1. Failure to achieve the Commercial Operation Date within one hundred fifty (150) days or any revised Commercial Operation Date approved in writing by Buyer (Section 2.5) following Contract execution; provided, however, that:

(i) On or before Day one hundred forty-five (145), Seller shall submit a detailed written status report demonstrating construction progress, commissioning readiness, permitting status, interconnection progress, and a reasonably achievable path to Commercial Operation within the Deployment Period;

(ii) Failure to achieve Commercial Operation by Day one hundred fifty (150) or any revised Commercial Operation Date approved in writing by Buyer (Section 2.5) shall constitute a Performance Bond Triggering Event entitling Buyer, in its sole discretion, to draw upon or execute the Performance Bond assess Deployment Delay Liquidated Damages pursuant to Article VIII, terminate this Agreement pursuant to Article XV, and exercise any other remedies available under this Agreement or Applicable Law.

2. Seller abandonment of service for more than five (5) consecutive days without substantial efforts to resume operations;

3. Power Availability falling below eighty percent (80%) of Continuous Operating Power for sixty (60) consecutive days or Seller's repeated failure to satisfy the minimum Power Availability requirements established under this Agreement;

4. Seller's failure to pay any Liquidated Damages, Availability Penalties, reimbursement obligations, offsets, or other amounts due under Article VIII or Section 2.4 within the applicable cure period set forth in this Agreement;

5. Seller Fuel Default resulting in diesel operation and Seller's failure to reimburse Buyer for Actual Diesel Costs or other reimbursement obligations required under Section 2.4;

LG

6. Seller's failure to submit, maintain, or implement a corrective action plan required under Articles IV, V, VI, or VIII;

7. Seller's insolvency or filing of bankruptcy; or

DR

8. Any material violation of Applicable Law that remains uncured after written notice and cure period, and that:

i. materially affects Seller's ability to perform its obligations under this Agreement;

YW

ii. exposes Buyer, the System, or the Government of Puerto Rico to material regulatory, financial, or operational risk; or

iii. results in the suspension, revocation, or material limitation of any permit, license, or authorization required for the Project.

C.4 Bond Execution Procedure

Prior to executing the Performance Bond, Buyer shall:

(a) Provide Seller with written notice identifying the specific Triggering Event and the amount to be drawn;

(b) Allow Seller five (5) Business Days to cure the Triggering Event;

(c) If the Triggering Event remains uncured, submit a draw request to the issuing bank or surety with a certification that the Triggering Event has occurred and remains uncured.

MCOG

C.5 Replenishment Obligation

If Buyer draws upon the Performance Bond, Seller shall replenish the bond to its full original amount within fifteen (15) Business Days of each draw. Failure to replenish the bond shall constitute an additional Event of Default

C.6 Bond

PERFORMANCE BOND TO BE ATTACHED

EXHIBIT E

TECHNICAL SPECIFICATIONS AND DELIVERY POINTS

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Initial DR

Initial YN

AGUIRRE GENERATION

	CAPACITY (COP-MW)*	QTY	INSTALLED CAP (COP-MW)*
SGT-800	49.691	3	149
TM-2500	31.304	8	250
*all capacities delivered at HV			400

AGUIRRE POWER PLANT

COVER SHEET

POWER EXPECTATIONS

AGUIRRE POWER PLANT

400MW LAYOUT

POWER EXPECTATIONS

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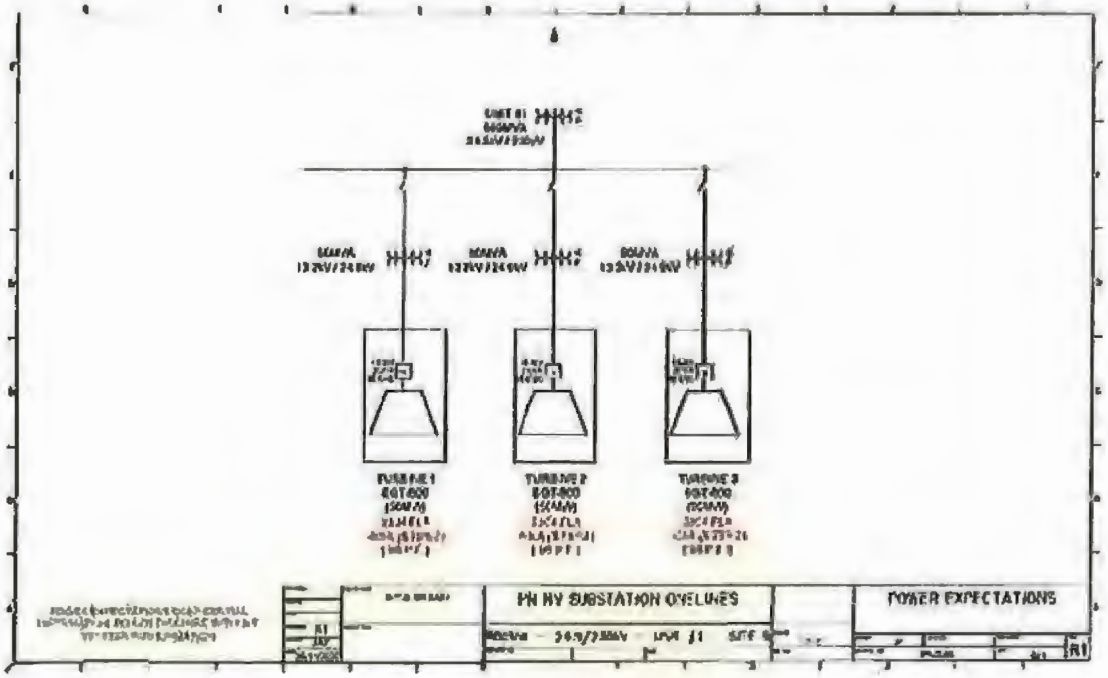

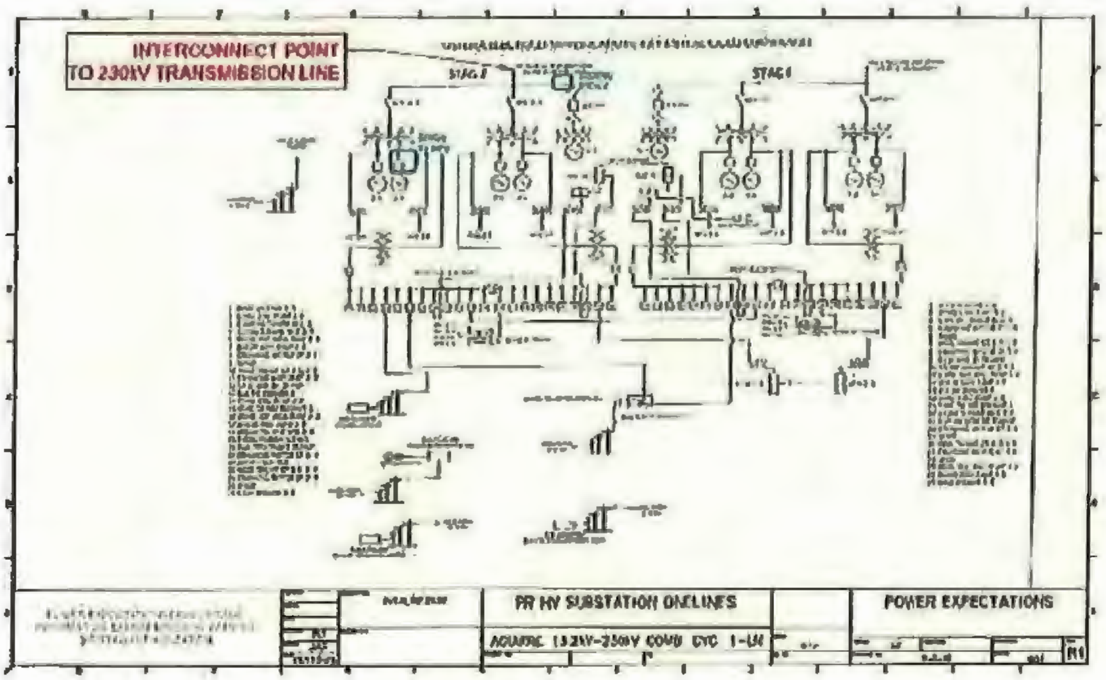

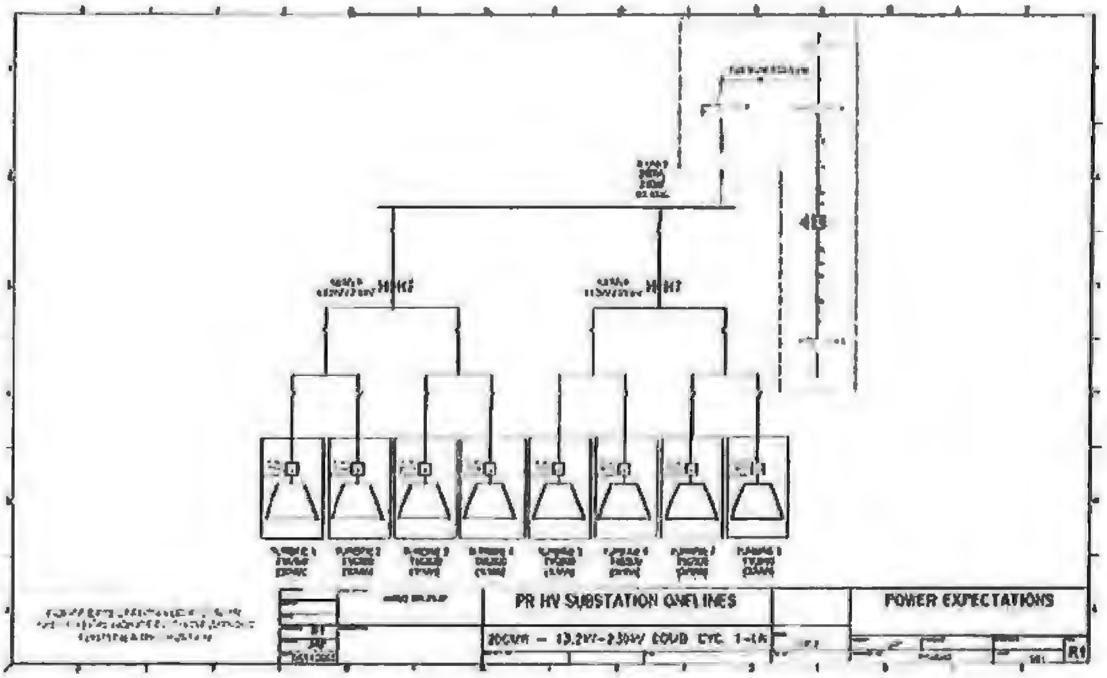

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EXHIBIT F

LIQUIDATED DAMAGES SUMMARY SCHEDULE

This Exhibit summarizes the liquidated damages provisions set forth in Article VIII of this Agreement:

Category	Rate	Reference
Deployment Delay	$5,000/day	Section 8.2
Availability Penalty	$250/MW/day below 380 MW	Section 8.3
Fuel Diversion	150% of diverted fuel/power value	Section 8.4
Abandonment	$1,000,000 one-time	Section 8.5
Regulatory Violation	$50,000/day	Section 8.6
Corrective Action Failure	$25,000/day	Section 8.7
Data/Reporting Failure	$10,000/day	Section 8.8

Note: Liquidated damages may be offset against payments due to Seller. The aggregate annual cap excludes Fuel Diversion LDs and Performance Bond draws.

EXHIBIT G

COMMERCIAL OPERATING DATE SCHEDULE

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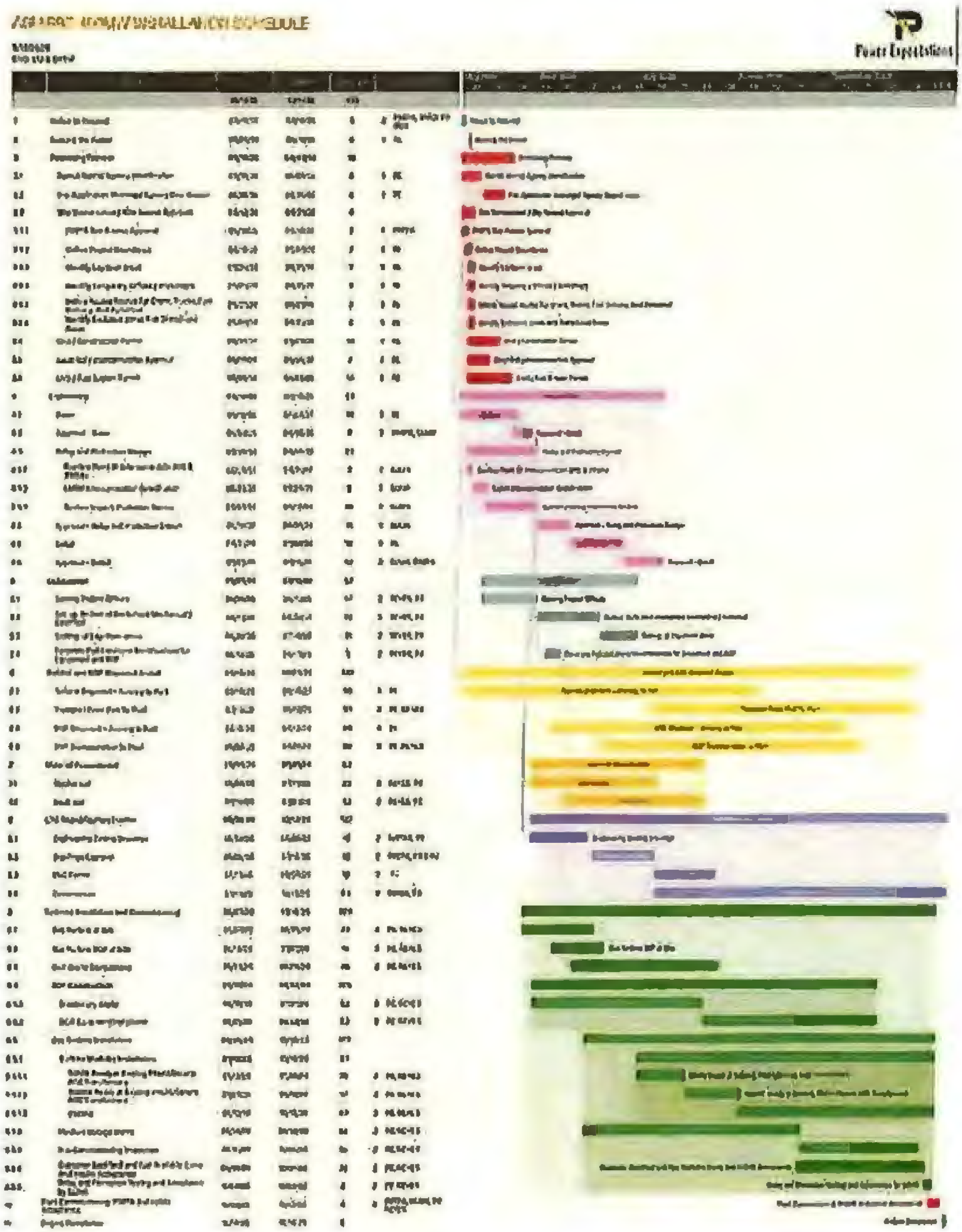

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Failure by Seller to comply with the milestone schedule, reporting obligations, permitting obligations, interconnection obligations, commissioning requirements, or any other material requirement set forth in this Exhibit G shall constitute a failure to satisfy the Deployment Period requirements under this Agreement and may trigger the assessment of Deployment Delay Liquidated Damages pursuant to Section 8.2, in addition to any other remedies available under this Agreement.

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JW

MCOB

Members
Andrew G. Biggs
John E. Nixon
Betty A. Rosa

Robert F. Mujica Jr.
Executive Director

Arthur J. Gonzalez
Chair and Board Member

BY ELECTRONIC MAIL

June 2, 2026

Mr. Alexis G. Rivera Medina
General Counsel
Puerto Rico Electric Power Authority

Re: Power Expectations, LLC; Enchanted Rock; and Reyes Contractor, LLC (RFP No. 3PPO-0314-20-TPG2 – Temporary Power Generation)

Dear Mr. Rivera Medina,

On May 8, 2026, the Financial Oversight and Management Board for Puerto Rico (the "Oversight Board") approved the proposed power generation contract between the Puerto Rico Electric Power Authority ("PREPA"), as buyer, and each of Power Expectations, LLC; Enchanted Rock; and Reyes Contractor, LLC (jointly, the "Seller") (the "Proposed Contract") in accordance with the Oversight Board's Contract Review Policy established pursuant to Section 204(b)(2) of PROMESA. Pursuant to the Proposed Contract, the Seller shall deploy, install, operate, and maintain temporary power generation units at the Aguirre Power Plant with an aggregate capacity of 400 MW (the "Project").[1]

The Oversight Board's approval of the Proposed Contract was conditioned on the Government implementing certain revisions addressing three key areas: (i) project execution and deployment, (ii) performance guarantees, and (iii) fuel structure and fixed price assurances. Specifically, the Oversight Board required revisions establishing enforceable project milestones and reporting obligations, liquidated damages and termination remedies associated with failure to achieve commercial operation, alignment of Force Majeure provisions with performance obligations, a defined payment and performance bond structure, and provisions establishing liquefied natural gas

[1] Request for Proposals No. 3PPO-0314-20-TPG2 was issued by the Third-Party Procurement Office ("3PPO") on July 15, 2025 in response to the Puerto Rico Energy Bureau's ("PREB") directive to address the emergency related to an anticipated generation shortfall of approximately 700 to 850 MW and stabilize system reliability. *See* PREB's Resolution and Order dated March 19, 2025 in case no. NEPR-MI-2024-0005.

("LNG") as the primary fuel while appropriately allocating risks and costs associated with diesel operation.

On May 29, 2026, at 5:29 p.m. AST, the 3PPO submitted to the Oversight Board, on behalf of PREPA, the final execution version of the Proposed Contract, incorporating the revisions required by the Oversight Board's May 8, 2026 conditional approval letter. After reviewing the revised Proposed Contract, the Oversight Board concludes that **the conditions for approval of the Proposed Contract have been satisfied.**

The Oversight Board's review of the Proposed Contract focused on ensuring that the Project is supported by appropriate contractual safeguards and accountability mechanisms intended to protect the interests of PREPA, ratepayers, and the people of Puerto Rico. Through multiple requests for information and detailed engagement with PREPA, the 3PPO, and the Energy Czar, the Oversight Board identified important risks and concerns and determined that additional contractual protections were necessary before the Proposed Contract could be executed.[2] The revised Proposed Contract includes stronger safeguards, clearer accountability measures, and enhanced protections designed to mitigate risks and better ensure that the Project delivers its intended benefits to the people of Puerto Rico. It demonstrates how rigorous review and constructive engagement among the parties can produce stronger agreements, while promoting transparency and increasing the public's faith in the government contracting process.

1. **Project Schedule and Performance Enforcement**

The revised Proposed Contract assumes an accelerated deployment timeline. It incorporates a detailed project schedule and performance enforcement framework, including a defined deployment period of 90 to 150 days, specific deployment milestones, milestone reporting requirements, bi-weekly and weekly compliance reporting through achievement of the Commercial Operation Date ("COD"), deployment delay liquidated damages, termination rights associated with failure to achieve COD, and procedures governing schedule relief.

These revisions provide PREPA with both visibility into the Seller's progress and the contractual tools necessary to monitor and enforce achievement of COD, thereby helping to ensure the timely delivery of the additional energy supply contemplated by the Project.

Furthermore, the revised Proposed Contract aligns Force Majeure provisions with milestone obligations, liquidated damages, and termination remedies through defined notice, mitigation, and schedule-relief procedures, thereby supporting enforceability of the Seller's deployment and performance obligations.

2. **Payment and Performance Guarantees**

The revised Proposed Contract incorporates a defined Performance Bond structure and related enforcement mechanisms, including specified bonding requirements applicable during the pre-

[2] *See* the Oversight Board's letters dated February 13, 2026 and March 26, 2026.

COD and operational phases of the Project, Performance Bond triggering events, and remedies available to PREPA in the event of Seller non-performance. It further links the Performance Bond and related performance security mechanisms to deployment obligations, operational performance requirements, liquidated damages provisions, and termination remedies established under the Proposed Contract.

3. **Fuel Structure and Fixed Price Assurances**

The revised Proposed Contract establishes LNG as the primary fuel source and requires the Seller, as a condition precedent to COD, to demonstrate that LNG procurement, transportation, storage, regasification infrastructure, binding LNG supply arrangements, and required operational permits are fully in place and operational. Further, diesel-based operation is limited to specifically defined contingency scenarios, including Seller Fuel Default, Force Majeure events affecting LNG supply, or declared grid emergencies. The revised Proposed Contract further defines the allocation of diesel-related costs and responsibilities and establishes a framework intended to reduce uncertainty regarding fuel-related cost allocation and risk responsibility.

In addition, the revised Proposed Contract establishes a defined Operational Rate of $0.160 per kWh for energy generated and delivered, exclusive of fuel costs, fuel reimbursements, fuel adjustments, pass-through fuel charges, taxes, penalties, liquidated damages, and other separate charges, thereby providing additional safeguards regarding compensation and fuel-related cost allocation.

Finally, we note that during the Oversight Board's review of the Proposed Contract PREPA indicated that federal funding is not contemplated for the Project. However, the revised Proposed Contract contains a provision indicating that FEMA funding may be sought for interconnection-related costs. Accordingly, should PREPA seek federal funding in connection with the Proposed Contract, PREPA must ensure compliance with all applicable federal laws, regulations, guidance, and grant requirements, including the requirements set forth in 2 C.F.R. Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

The Oversight Board understands that the revisions incorporated into the Proposed Contract address the conditions set forth in its May 8, 2026 conditional approval letter and strengthen the contractual framework governing project execution, performance security, and fuel-related risk allocation. Collectively, these revisions facilitate achievement of COD, strengthen the Government's ability to enforce the Seller's contractual obligations, and support efforts to address Puerto Rico's energy emergency and near-term generation needs.

Accordingly, the parties may proceed with the execution of the Proposed Contract.

This letter is delivered as of the date hereof and we reserve the right to provide additional observations and modify this letter based on information the Oversight Board was not directed to when the review was conducted. In addition, during the course of our review, we may receive information that we may refer to the relevant authorities.

Sincerely,

Jaime A. El Koury
General Counsel

BY ELECTRONIC MAIL

May 8, 2026

Mr. Alexis G. Rivera Medina
General Counsel
Puerto Rico Electric Power Authority

Re: Power Expectations, LLC; Enchanted Rock; and Reyes Contractor, LLC (RFP No. 3PPO-0314-20-TPG2 – Temporary Power Generation)

Dear Mr. Rivera Medina,

In accordance with the Contract Review Policy (the "Policy") of the Financial Oversight and Management Board for Puerto Rico (the "Oversight Board"), established pursuant to Section 204(b)(2) of PROMESA, we have reviewed the proposed power generation contract between the Puerto Rico Electric Power Authority ("PREPA"), as buyer, and each of Power Expectations, LLC; Enchanted Rock; and Reyes Contractor, LLC (jointly, the "Seller") (the "Proposed Contract").

On July 15, 2025, the Third-Party Procurement Office ("3PPO") issued procurement process no. 3PPO-0314-20-TPG2 (the "RFP") pursuant to the directive of the Puerto Rico Energy Bureau ("PREB") to address the emergency related to an anticipated generation shortfall of approximately 700 to 850 megawatts ("MW") and stabilize system reliability.[1] Following the procurement process, the 3PPO awarded the Proposed Contract to the Seller approximately six months later and PREPA submitted it to the Oversight Board for review and approval on January 16, 2026.[2]

[1] *See* PREB's Resolution and Order dated March 19, 2025 in case no. NEPR-MI-2024-0005. In March 2025, the 3PPO issued procurement process no. 3PPO-0314-20-TPG1 for the services contemplated under the Proposed Contract (the "Original RFP"). During PREB's evaluation of the proposed contract resulting from the Original RFP, PREB directed the 3PPO to renegotiate pricing and incorporate a longer term and reduced fixed rates. Understanding that these directives constituted material commercial changes, the 3PPO cancelled the Original RFP and subsequently issued the RFP that led to the Proposed Contract.

[2] PREB approved the Proposed Contract, determining its terms and conditions are prudent and reasonable and align with the public interest. *See* PREB's Resolution and Order dated December 11, 2025.

The Proposed Contract reflects the Government's efforts to address Puerto Rico's energy emergency and near-term generation needs. However, as currently structured, the Proposed Contract raises certain concerns and involves certain risks that must be addressed **prior to execution** in order to ensure that the Proposed Contract promotes market competition and is not inconsistent with the approved Fiscal Plan. These risks primarily relate to: (i) project execution and deployment, (ii) performance guarantees, and (iii) fixed price assurances. The Oversight Board raised concerns in connection with these risks through multiple requests for information ("RFIs") issued during its review of the Proposed Contract, but such concerns remain to be addressed.[3]

After reviewing the Proposed Contract, the Oversight Board concludes "**Approved with Conditions.**" **Approval of the Proposed Contract is conditioned upon the Government implementing the revisions set forth in Appendix A attached hereto. The requested revisions seek to address the risks identified during the Oversight Board's review of the Proposed Contract and increase generation capacity and energy reliability for the benefit of the people of Puerto Rico.**

PREPA must submit a revised version of the Proposed Contract to the Oversight Board incorporating the required revisions. The parties may not execute the Proposed Contract until the Oversight Board determines, in its sole discretion, that the conditions set forth herein have been satisfied. Once PREPA submits the revised version of the Proposed Contract to the Oversight Board, we will review it on an expedited manner.

Our review is solely limited to compliance of the Proposed Contract with Section 204(b)(2) of PROMESA, which seeks to ensure proposed contracts promote market competition and are not inconsistent with approved Fiscal Plans. For the avoidance of doubt, the review performed by the Oversight Board does not constitute a legal review of the contractual documentation or the contracting process, including without limitation: (i) compliance with contracting requirements under applicable laws, rules, and regulations, both federal and local; and (ii) compliance with applicable laws, rules, and regulations governing procurement activities, both federal and local.

In addition, the Oversight Board has not engaged in any due diligence or background check with respect to the contracting parties nor whether the contracting parties comply with the requirements under the applicable contract. Any material changes to the Proposed Contract must be submitted to the Oversight Board for review and approval **prior to execution**.

This letter is delivered as of the date hereof and we reserve the right to provide additional observations and modify this letter based on information the Oversight Board was not directed to when the review was conducted. In addition, during the course of our review, we may receive information that we may refer to the relevant authorities.

This letter is issued only to PREPA and solely with respect to the Proposed Contract.

Sincerely,

[3] *See* the Oversight Board's letters dated February 13, 2026 and March 26, 2026.

Jaime A. El Koury
General Counsel

PREPA – POWER EXPECTATIONS, LLC AND OTHERS

Background

This review covers the Proposed Contract between PREPA and the Seller for the deployment, installation, operation, and maintenance of temporary power generation units at the Aguirre Power Plant with an aggregate capacity of 400 MW (the "Project").[4]

The Proposed Contract stems from the RFP issued by the 3PPO on July 15, 2025[5] pursuant to PREB's directive to address the emergency related to an anticipated generation shortfall of approximately 800 MW expected by Summer 2025.

The Proposed Contract has a **10-year term** and a phased deployment timeline between **90 and 150 days** to achieve full commercial operation. The Proposed Contract places primary financial risk on the Seller and direct fiscal exposure to PREPA and ratepayers is limited. Specifically, it provides for a **fixed energy rate of $0.224/kWh** under a **performance-based structure** in which PREPA is only obligated to pay for energy delivered, without minimum take-or-pay requirements or guaranteed payments obligations.[6] The estimated maximum contract value is **$5,886,720,000.**[7]

PREPA has certified that (i) the cost of the Proposed Contract is a pass-through rate expenditure with no budgetary impact, and (ii) the funds to pay for the Proposed Contract are unrestricted, unobligated and available without future encumbrances or restrictions, and will not be obligated except for the payment of the Proposed Contract.

Moreover, pursuant to the Proposed Contract, the Seller is responsible for the procurement of liquefied natural gas ("LNG"), as primary fuel, and bears responsibility for all interconnection, permitting, and infrastructure necessary to deliver power to the grid. Diesel-based operation may be required at any time upon PREPA's request. In such case, PREPA shall supply diesel fuel, logistics and its delivery infrastructure.

Key Observations and Risks Considerations

The PREPA Fiscal Plan establishes a framework for the transformation of Puerto Rico's energy sector into a modern, efficient, resilient, fiscally responsible system. It emphasizes the need to improve system reliability and resource adequacy through coordinated planning, investment in new generation capacity, integration of additional energy resources, and implementation of

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[4] Pursuant to the Proposed Contract, an additional site in the Municipality of Yabucoa may be incorporated into the Proposed Contract upon PREB's review and approval.

[5] Three proponents participated in the RFP, of which the Seller obtained the lowest evaluation score. 3PPO awarded contracts to the Seller and Gothams, LLC. The Oversight Board's determination in connection with the Gothams, LLC proposed contract shall be the subject of a separate letter from the Oversight Board.

[6] The Proposed Contract also includes termination for convenience provisions and associated payment obligations under certain circumstances.

[7] The estimated maximum contract value assumes a 75% capacity factor (6,570 yearly hours of operation). Such capacity factor was not certified by LUMA (the "System Operator").

demand-response measures to mitigate shortfalls, supported by appropriate technical analysis and procurement discipline. Achieving these objectives requires sustained investment and careful alignment among system needs, resource planning, and procurement decisions.

Below, we identify a series of concerns and risks that were raised by the Oversight Board through multiple RFIs and remain to be addressed in order to ensure market competition and achieve the Fiscal Plan's objectives of reliability, affordability, and overall sustainability of the electric system.

i. Project Execution and Deployment

The Proposed Contract lacks sufficient mechanisms to ensure timely and enforceable project execution. While it establishes a phased deployment period between 90 and 150 days, it lacks defined requirements for permitting, interconnection, or infrastructure development. It also fails to establish milestones leading to commercial operation or clear progress monitoring and reporting requirements for the Seller against which PREPA can measure the Seller's performance or address any delays.

As a result, the Government lacks adequate contractual tools to monitor project progress, identify delays, and ensure delivery of the agreed capacity within the required timeframe.

Furthermore, the Proposed Contract also fails to properly define liquidated damages, allowable delays, or termination thresholds in the event the Seller does not achieve the commercial operation date ("COD"). In addition, it does not align Force Majeure provisions with COD obligations and Event of Default triggers, further limiting the Government's ability to enforce timely performance.

ii. Performance Guarantees

The Proposed Contract lacks a defined payment and performance bond framework. Without clearly defined payment and performance bond requirements, the Proposed Contract provides limited financial safeguards and assurance that the Seller will meet its contractual obligations.

The RFP required a bid bond representing 5% of the project bid. The procurement file reflects that the Seller originally submitted a surety-backed bid bond of $300,000, representing 5% of the Seller's proposal value.[8] According to the procurement file, the bid bond was deemed potentially insufficient in light of the scope, magnitude, technical complexity, and overall costs associated with the Project.[9] We also note that, according to the procurement file, the surety-backed bid bond

[8] According to the United Surety & Indemnity Company, the Seller's original bid bond was based on a project bid of $6,000,000.

[9] According to the submitted documentation, the Seller submitted a revised bid bond of $6,000,000. The procurement record reflects inconsistent representations regarding the underlying project bid value supporting such bond, including references to project values of $120,000,000 and $300,000,000, neither of which aligns with the Proposed Contract's estimated maximum value. In all cases, the reported bid bond amount is materially insufficient when compared against the Proposed Contract's estimated maximum value of $5,886,720,000.

submitted by the Seller erroneously referred to an incorrect project name and date, seemingly tied the Original RFP.[10]

In addition to the risks associated with the Seller's financial capacity, there are notable deficiencies and concerns regarding the Seller's experience in similar projects. The procurement file reflects the limited utility-scale experience of certain project participants particularly in light of the scope and complexity of the Project.

The allocation of financial risk to the Seller limits direct exposure to PREPA. Nevertheless, the Seller's purported limited financial capacity and experience raise doubts regarding the viability and bankability of the Project in the absence of any financial commitments from PREPA.[11]

The Proposed Contract's objective of increased energy reliability depends largely on the Seller's ability to finance, execute, and operate the Project throughout the proposed 10-year term. Incorporating a Payment and Performance Bond framework into the Proposed Contract is therefore essential to mitigate such execution risk.

iii. Fixed Price Assurances

The Proposed Contract establishes a fixed energy rate of $0.224/kWh solely for LNG-based operation. However, it lacks assurances that LNG infrastructure will be in place prior to COD, resulting in uncertainty regarding both cost exposure and operational incentives.

The Proposed Contract assigns the Seller full responsibility for LNG procurement, delivery, storage, and regasification. However, it does not identify the logistical framework necessary to support an LNG-based operation, including permitting, fuel supply arrangements, and transportation and delivery infrastructure. The responses to the RFIs issued by the Oversight Board do not clarify this aspect even though it is essential to achieving commercial operation and maintaining the fixed price.

Furthermore, we note that the Proposed Contract provides for diesel-based operations at any time at PREPA's request. However, it does not allocate fuel costs or define the resulting financial impact on PREPA and ratepayers in connection with diesel-based operation. This creates misalignment between pricing assumptions and operational incentives and introduces considerable cost risk, particularly if LNG is unavailable.

iv. System Planning

During its review of the Proposed Contract, the Oversight Board raised questions about lack of system planning and coordination efforts. Key elements, such as the contracted capacity, contract

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[10] The Oversight Board requested clarification from the 3PPO regarding which procurement stakeholder authorized the acceptance of the Seller's bid bond as compliant. However, the 3PPO could not provide a response.

[11] Considering that the Proposed Contract does not include guaranteed revenues for the Seller, the Oversight Board requested the financial model underlying the Proposed Contract. On April 4, 2026, the 3PPO indicated that such model was not required, purportedly because it would not be determinative of PREPA's financial obligations. Thus, the Oversight Board could not confirm the Seller's ability to service its external financial obligations.

term, and project site selection were not supported by targeted technical analysis. Instead, the estimated maximum contract value relies on assumed utilization levels that are not supported by certified economic dispatch modeling or resource planning projections from the System Operator.

Furthermore, it remains unclear how the 10-year proposed term aligns with the emergency nature of the RFP and the anticipated integration of new generation sources. These resources include 164 MW of battery energy storage system (BESS) capacity and the planned restoration of Unit #1 of the Aguirre site. To date, PREPA has not submitted to the Oversight Board any interconnection assessment or agreement between the Seller and the System Operator, nor have the relevant stakeholders confirmed that the Proposed Contract will not interfere with the interconnection capacity of those planned projects.

During the Oversight Board's review of the Proposed Contract, PREPA indicated that final design determinations and interconnection requirements will be completed following the execution of the Proposed Contract. Deferring critical system planning and integration considerations to until after contract execution increases the risk of misalignment with system needs, interconnection constraints, and planned resource additions.

v. Procurement Consistency with Best Practices

Finally, the Oversight Board reiterates its concerns regarding the procurement process leading to the Proposed Contract vis-a-vis the Oversight Board's mandate to ensure that proposed contracts promote market competition. We note that during the procurement process, the 3PPO, on behalf of the procurement stakeholders, allowed deviations from certain RFP requirements. For instance, 3PPO waived certain bid bond requirements, introduced the Government's non-negotiable terms after submission of proposals,[12] and selected the Seller as the awarded proponent despite its ranking as the lowest-scored proponent.

In addition, the procurement file does not clearly demonstrate how the final award decision reconciles with the documented evaluation results or whether all evaluation criteria were applied consistently across all proponents throughout the procurement process.

The Oversight Board recognizes the emergency nature of the RFP and the urgent need to address near-term generation shortfalls and improve energy reliability. However, even in this scenario, the deviations from best procurement practice set forth above, and identified by the Oversight Board during its review process, underscore the need for stronger adherence to such practices in future procurement processes in order to promote market competition and increase the public's faith in government contracting.

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[12] The non-negotiable terms required by the 3PPO include: (i) no "take-or-pay" provisions; (ii) no requirement for a letter of credit, surety bond, or any other form of financial guarantee as condition precedent for contract execution; (iii) no capacity payments; (iv) no separate costs for mobilization or demobilizations; and (v) references to minimum hours as non-binding.

Conditions and Required Government Actions

In light of the above-mentioned concerns and risks, **the Oversight Board's approval of the Proposed Contract is conditioned upon the Government implementing the following revisions to the Proposed Contract. PREPA must submit the revised version of the Proposed Contract for the Oversight Board's review and approval prior to execution.**

1. **Project Schedule and Performance Enforcement**
   Define milestones for project schedule, including permitting, interconnection, infrastructure deployment, and achievement of COD; and require the Seller to submit weekly reports demonstrating compliance with such milestones.

   The Proposed Contract must establish liquidated damages, allowable delays, and termination provisions tied to failure to achieve COD; and require default notifications from the Seller and reasonable cure periods in the event of any failure by the Seller to meet its obligations. The Proposed Contract must also establish that failure by the Seller to achieve COD within the applicable timeline, including any allowable delays, shall constitute grounds for termination of the Proposed Contract.

   In addition, the Proposed Contract must align Force Majeure provisions with these performance obligations and Event of Default triggers to ensure that relief from performance does not undermine enforceability of the COD and related obligations.

2. **Payment and Performance Guarantees**
   Establish a payment and performance bond structure with a defined methodology for calculating annual coverage, with (i) surety coverage equal to 100% of project obligations through COD, and (ii) minimum coverage equal to 20% of the projected annual contract value during the operational phase, based on a fixed and clearly defined value.[13]

3. **Fuel Structure and Fixed Price Assurances**
   Establish LNG as the primary fuel, with LNG-based operation designated as the primary mode of operation and diesel-based operation as secondary. Further, the Proposed Contract must require LNG-based operation prior to COD and limit diesel operation to defined contingency scenarios. The Proposed Contract must also allocate costs associated with diesel operation to ensure that PREPA and ratepayers are not exposed to unquantified costs.

PREPA is expected to inform the Oversight Board of any budgetary differences other than those specified in Appendix A to the Policy (Contract Submission Questionnaire) and to request a re-review of the Proposed Contract should any changes occur.

This review was conducted on the basis of information submitted by PREPA. The Oversight Board has not independently verified the information included in the submission. Should the Oversight

[13] Pursuant to Exhibit C of the Proposed Contract, a Payment and Performance Bond will be incorporated upon contract execution. However, it does not clearly define the bonding requirements. The specific bonding structure was later introduced by the 3PPO in response to an RFI from Oversight Board.

Board become aware of any inaccuracies or misrepresentations – whether intentional or not – it would re-evaluate its assessment.