PUERTO RICO
ELECTRIC POWER AUTHORITY

PREPA

GOVERNMENT OF PUERTO RICO

July 31, 2026

By Electronic Mail
Carlos.AndreuCollazo@gtlaw.com

Carlos J. Andreu Collazo, Esq.
Greenberg Traurig, LLP
333 Southeast Second Avenue, Suite 4400
Miami, FL 33131

Re: Response to Supplemental Notice Regarding Performance Security and Request for Form of Performance Bond, dated July 21, 2026

Dear Mr. Andreu-Collazo:

The Puerto Rico Electric Power Authority ("PREPA" or "Buyer") acknowledges receipt of your letter dated July 21, 2026, in which Power Expectations, LLC ("Power Expectations" or "Seller") requests that PREPA provide "the Form of Performance Bond, or the exact bond text, intended to be attached to Exhibit C, Section C.6" of the Power Purchase and Operating Agreement dated June 10, 2026 ("PPOA"). PREPA writes to clarify the purpose and language of Section C.6.

Exhibit C, titled "Form of Performance Bond," sets out in full, at Sections C.1 through C.5, every substantive requirement the Performance Security must satisfy: the required amount and term (C.1), qualifying issuers (C.2), the triggering events that entitle the Buyer to call the bond (C.3), the execution procedure Buyer must follow before drawing on the bond (C.4), and Seller's replenishment obligation (C.5). Nothing in Sections C.1 through C.5 requires any further specification of bond language or a bond template from Buyer.

Section C.6 is not a placeholder for a form or specific bond language that PREPA is to provide. It is the notation reflecting that the actual, executed Performance Security instrument is to be attached to Exhibit C once Seller procures and issues it. In other words, Section C.6 simply identifies where the finished instrument goes once Seller and its surety produce it in accordance with Sections C.1 through C.5; it does not impose any obligation on Buyer to draft or provide a form of Performance Security.

Accordingly, the obligation to prepare, underwrite, and deliver the Performance Security in a form conforming to Sections C.1 through C.5 rests with Seller and its surety, Skyscraper Insurance Company, not with PREPA. PREPA is not withholding a required form or bond language; no such form or language is called for from PREPA under the Agreement. To the extent Skyscraper requires a specimen or sample bond form for

internal underwriting purposes, that is a matter between Seller and its surety and does not constitute a condition precedent imposed on PREPA by the Agreement.

We trust this clarifies the purpose and operation of Section C.6, and we kindly request that Seller proceed to finalize and deliver the Performance Security in accordance with Sections C.1 through C.5 of Exhibit C.

Cordially,

Alexis G. Rivera-Medina
Legal Affairs Director

c: Mary C. Zapata Acosta, Executive Director, Puerto Rico Electric Power Authority
Josué A. Colón, Executive Director, Puerto Rico Public-Private Partnerships Authority
Lionel E. Santa-Crispin, Esq., General Counsel, Puerto Rico Public-Private Partnerships Authority
Eddie Echevarria, Chief Executive Officer, Power Expectations, LLC
Landon Gallagher, Power Expectations, LLC