

EXHIBIT A

ORDINANCE AND AGREEMENT BETWEEN THE CITY OF CHICAGO AND COMMONWEALTH EDISON COMPANY

This Ordinance and Agreement (“License” or “Ordinance”) is made and entered into as of the [DATE] day of [MONTH], 2023, between Commonwealth Edison Company, an Illinois corporation and an Illinois public and electric utility (“ComEd” or “Licensee”) and the City of Chicago, an Illinois home rule municipality (“City”; Licensee and City are sometimes referred to herein individually as a “Party” and collectively as the “Parties”), the latter operating through various offices and departments, including but not limited to its Department of Assets, Information and Services (“AIS”), Department of Aviation (“CDA”), Department of Transportation (“CDOT”), Department of Law (“DOL”), Department of Water Management (“DWM”), Chief Sustainability Officer, and Office of the Mayor.

RECITALS

WHEREAS, the City is a home rule unit of government as defined in Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois, and operates through various offices and departments, including but not limited to the AIS, CDA, CDOT, DOL, DWM, Chief Sustainability Officer, and the Office of the Mayor;

WHEREAS, ComEd is a corporation organized and existing under the laws of the State of Illinois and is regulated under the Illinois Public Utilities Act and the Federal Power Act;

WHEREAS, pursuant to an ordinance adopted May 25, 1948, and approved on June 10, 1948, the City of Chicago granted certain rights to ComEd to provide electric utility services within the City of Chicago (the “1948 License”);

WHEREAS, pursuant to an ordinance adopted December 11, 1991, and made effective on January 1, 1992, the City of Chicago renewed the grant of certain rights to ComEd to provide electric utility services within the City of Chicago, with certain amendments and modifications thereto (the “1992 License”), and repealed the 1948 License, except for Section 4.4 therein;

WHEREAS, CDOT is charged with managing and regulating the public right-of-way in Chicago, enforcing CDOT’s rules and regulations, and enforcing certain provisions of the Municipal Code of Chicago and CDOT regulations promulgated thereunder with respect to the activities of ComEd and other users in the public rights-of-way in Chicago;

WHEREAS, DWM is, among other things, responsible for operating and maintaining the waterworks of the City, and is a user of Licensee’s electric utility service;

WHEREAS, CDA, among other things, manages and controls two of the world’s most connected airports, and is a user of Licensee’s electric utility service;

WHEREAS, the Licensee is a public and electric utility providing service to retail customers within Chicago pursuant to rates on file with the ICC and FERC;

WHEREAS, pursuant to the Municipal Code of Chicago Section 2-51-050(18), AIS is charged with the oversight and implementation of the 1992 License;

WHEREAS, the Parties have worked together and agree to enter into a new ordinance and agreement renewing the existing grant to Licensee under the 1992 License, with certain amendments and modifications as set forth in this License; and

WHEREAS, the Parties desire to promote and support various equity initiatives as set forth herein and in the EEA (as hereinafter defined), and promote and support initiatives to provide electric service without unreasonable discrimination throughout the City.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

The electric utility license agreement between the City and the Licensee is renewed on the terms and conditions set forth in this License. This License shall have the effect of, and shall be, a contract between the City and the Licensee and shall be a statement of the rights and obligations of the City as well as of the Licensee.

1. DEFINITIONS

When capitalized and used in this Ordinance, the following terms shall have the meanings given, unless a different meaning is expressed or clearly indicated by the context. Words not defined herein shall be given their common and ordinary meaning.

1.1 “1948 License”: Has the meaning set forth in the Recitals above.

1.2 “1992 License”: Has the meaning set forth in the Recitals above.

1.3 “Annual Report”: The report to be provided to the City by the Licensee pursuant to Paragraph 8.1.1 hereof.

1.4 “Capital Security”: A share of capital stock or evidence of long-term debt.

1.5 “Certified”: This term shall mean, with respect to a minority business enterprise or women’s business enterprise, an organization which is (a) female-owned or minority-owned as such ownership is set forth in rules, regulations and/or definitions (collectively, “Supplier Diversity Definitions”) adopted from time to time by Licensee to meet the requirements of Section 5-117 of the Illinois Public Utilities Act (220 ILCS 5/5-117) (“Supplier Diversity Statute”), and (b) certified by either (i) one of the certifying entities identified by Licensee in its annual report submitted in accordance with the Supplier Diversity Statute and published by the ICC on its website in accordance with subsection (f) of the Supplier Diversity Statute, or (ii) to the extent not already a certifying entity described in clause (i), the City or Cook County, Illinois. The City

acknowledges receipt from Licensee of Licensee's Supplier Diversity Definitions which are in effect as of the date hereof.

1.6 "Chicago": The geographical area within the political boundaries of the City of Chicago, including all territory subsequently annexed but not including territory subsequently disconnected, as those boundaries are defined at the time service is provided by Licensee; provided that notice of any change in boundaries has been provided as contemplated by Paragraph 6.8.

1.7 "Citation": Any citation, ticket, administrative complaint, or similar notice related to an alleged violation of the Municipal Code of Chicago or any of the rules and regulations of the City.

1.8 "City": Has the meaning set forth in the introductory paragraph of this License above. Where consistent with the context, the term "City" shall include the agencies, divisions, boards, bureaus, officers, and employees of the City.

1.9 "Commissioner": In the absence of an express reference otherwise, the term "Commissioner" shall mean the Commissioner of AIS (or its successor agency) or such Commissioner's designee.

1.10 "Competent Authority(ies)": Any governmental body or forum vested by law with authority to do the act or to make the order, rule or regulation involved, including, without limitation, FERC, the ICC, and any reliability organizations or regional transmission organizations operating under the authority or supervision of one or both of FERC and the ICC. In the absence of any such other governmental body or forum, the City shall constitute a Competent Authority to the extent it has the authority to act.

1.11 "Confidential Materials": Confidential data and other materials that may be provided by Licensee in connection with this License including (a) anything that constitutes Critical Energy Infrastructure Information under federal law, (b) maps and other records regarding the location or security of generation, transmission, distribution, storage, gathering, treatment, or switching facilities of Licensee, (c) other information that could, in the reasonable judgement of Licensee, compromise the safety, security, or reliability of the electric system, (d) identifiable data of a person or customer other than the City, or (e) information that the Licensee asserts constitutes trade secrets, proprietary, commercial, or financial information, the disclosure of which could cause competitive harm.

1.12 "Continuation Term": The portion of the Term of this License that commences on January 1, 2028, and ends on the later of December 31, 2037 or such later date as either Party may determine to terminate as provided in Paragraph 3.4 below.

1.13 "Depreciation Reserve": The net credit balance in the Licensee's reserve for depreciation as of December 31, 2022, plus all amounts thereafter credited to such account, for or in connection with the depreciation of Utility Facilities, and less all amounts thereafter charged to such account in connection with the retirement of Utility Facilities.

1.14 “EEA”: That certain Energy and Equity Agreement to be entered by and between the City and Licensee and approved by the Chicago City Council concurrently with this License.

1.15 “Effective Date”: The date this License becomes effective pursuant to Paragraph 3.2 hereof.

1.16 “EIEC”: Equity Investment Eligible Communities (as such term is defined in the Climate and Equitable Jobs Act, Illinois Public Act 102-0662).

1.17 “Entity”: The Illinois not-for-profit entity formed or to be formed, as contemplated by the EEA.

1.18 “Extension Term”: If the Parties have mutually agreed to extend the Term as provided in Paragraph 3.4 of this Agreement, that portion of the Term of this License that shall commence on January 1, 2038, and ends on December 31, 2042, as such period may be further extended as provided in Paragraph 3.4 below.

1.19 “FERC”: The Federal Energy Regulatory Commission or its successors.

1.20 “Good Faith Efforts”: Efforts to undertake actions that by their scope, intensity, and appropriateness can reasonably be expected to accomplish a certain outcome.

1.21 “ICC”: The Illinois Commerce Commission or its successors.

1.22 “Initial Term”: The portion of the Term of this License that commences on the Effective Date and ends on December 31, 2027.

1.23 “Liability”: Actual loss or damage to property or injury to or death of persons, and actual responsibility for such loss, damage, injury or death, together with expenses of every sort and kind incident to such loss, damage, injury, death, or responsibility, including, but not thereby excluding, any other expense, court costs, fines, and reasonable attorneys’ fees.

1.24 “License”: Has the meaning set forth in the introductory paragraph of this Ordinance. Consistent with the context of its use, this term shall mean (a) the rights, privileges, and obligations created or arising under this Ordinance and procedures established pursuant to this Ordinance and (b) this Ordinance.

1.25 “Licensee”: Has the meaning set forth in the introductory paragraph of this License. In the absence of an express reference to ComEd, the term “Licensee” shall mean ComEd, its successors, assignees, and all other Persons controlled by ComEd.

1.26 “Municipal Compensation”: The compensation to be paid to the City by the Licensee as partial consideration for this License that is described in Paragraph 4. hereof.

1.27 “Municipalization Increment”: The Municipalization Increment shall be calculated as the product of (a) \$6,666,666 multiplied by (b) the remaining number of years and

fractions of years from the date of the City’s written demand pursuant to Paragraph 5. to January 1, 2038; minus, if applicable, the Municipalization Off-Set.

1.28 “Municipalization Off-Set”: The Municipalization Off-Set shall be calculated as (a) the amounts contributed to the Entity by the Licensee pursuant to Section 2(a) of the EEA that are recovered through its utility rates; minus (b) the amount the Licensee has subsequently contributed to the Entity as provided in Section 2(b)(i) of the EEA, provided that such amount shall never be less than zero (\$0.00).

1.29 “Overhead Utility Facilities”: Poles, wires, cables, and other overhead apparatus used in the distribution of electricity.

1.30 “Parties”: Has the meaning set forth in the introductory paragraph of this License.

1.31 “Person”: One or more individuals or entities, including associations, firms, partnerships, limited liability companies, trusts, private corporations, municipal corporations, receivers, or trustees.

1.32 “Plant Report”: A report, in a mutually agreed form, which includes all utility plant owned by the Licensee stated at original cost, showing year of acquisition or installation and analyzed into retirement plant units and classified in accordance with the System of Accounts as prescribed by the FERC, ICC, or other Competent Authority.

1.33 “Provide Electricity” or “Providing Electricity”: (i) To install, construct, maintain, use, operate, improve, and enhance Utility Facilities, (ii) to manage, generate, purchase, store, transmit, distribute, sell, advertise, and promote the use or sale of electric energy, (iii) to perform actions authorized by rates or schedules filed with a Competent Authority, (iv) to take actions authorized by or necessary to perform obligations under the EEA; and (v) to direct, administer, supervise, conduct, and account for all of the same. It is understood that Providing Electricity may include, without limitation, actions by Licensee to (a) develop, implement, and promote energy conservation and electric storage, distribution, and transmission initiatives, (b) promote and support community renewable energy facilities, (c) promote and support developments and applications that advance the use of electric energy and the deployment of related technologies and resources, and (d) to promote and support the use of electricity in transportation.

1.34 “Provision of Electricity”: The act or result of Providing Electricity as herein defined.

1.35 “Public Way(s) or Property(ies)”: The surface, the air space above the surface, and the area below the surface of any public street and any avenue, highway, lane, path, alley, sidewalk, boulevard, drive, bridge, tunnel, park, parkway, viaduct, waterway, or other public right-of-way and all property owned, controlled, or leased by the City including public utility easements or rights-of-way over which the City has jurisdiction, and any temporary or permanent fixtures or improvements located thereon now or hereafter held by the City in which the City holds

rights sufficient, without consent of any other party, to permit the Licensee the use thereof for the purpose of installing, maintaining or operating Utility Facilities.

1.36 “Rider FCA”: Tariffs that have the effect of localizing the franchise fees or costs incurred by Licensee as a result of a municipal franchise including without limitation Licensee’s Rider FCA, as filed and effective from time to time with the ICC, and any replacement or successor rider or cost recovery mechanics.

1.37 “Rider LGC”: Tariffs that have the effect of localizing the additional costs incurred by Licensee as a result of a municipal ordinance including without limitation Licensee’s Rider LGC, as filed and effective from time to time with the ICC, and any replacement or successor rider or cost recovery mechanics. For the purpose of this definition, references to Rider LGC shall include Rider FCA to the extent that a Competent Authority determines Rider FCA is applicable in lieu of Rider LGC.

1.38 “Socio-Economically Disadvantaged Area” or “SEDA”: An area of the City that has been designated as socio-economically disadvantaged by the Commissioner of Planning and Development under authority currently codified under Section 2-92-390 of the Municipal Code of the City, or as otherwise designated by the City.

1.39 “Term”: The period elapsing between the Effective Date of this License and termination of this License pursuant to Paragraph 3. hereof.

1.40 “Utility Facilities”: Include property, land, structures, plant, systems, equipment, materials, supplies, and improvements, including Overhead Utility Facilities, used in or useful for Providing Electricity, whether owned or held by Licensee under lease, license, contract, joint use, or joint ownership agreement or claim of right as of the Effective Date of this License or thereafter.

2. GRANT

2.1 Right Granted. Licensee is hereby granted a non-exclusive right to Provide Electricity in Chicago. This right includes a license to acquire, construct, install, lease, license, use, maintain, operate, and remove Utility Facilities in, upon, along, across, over and under Public Ways or Property, on the terms and conditions specified, adopted, or referenced in this License.

2.2 Conditions and Limitations.

2.2.1 Governmental Powers. The City expressly reserves the right to adopt, from time to time, in addition to the provisions contained herein, such ordinances, rules, and regulations as it may deem necessary in the exercise of the City’s governmental powers.

2.2.2 Regulation of Public Ways or Property. The City expressly reserves the right to enforce reasonable regulations concerning the Licensee’s access to or use of the Public Ways or Property, including, subject to Paragraphs 4. , 6.3.2, and 9. , requirements for permit applications, all as more particularly set forth in Paragraph 9.2 below. Nothing contained in the

foregoing shall limit the Licensee's right to challenge the legality of any such regulations or requirements in accordance with law.

2.2.3 Compliance with Laws, Rules, and Regulations. The Licensee shall promptly and fully comply with all applicable statutes, ordinances, judgments, decrees, orders, rules, and regulations of any Competent Authority having jurisdiction over the Licensee's activities, except insofar as the applicability or enforcement of such statutes, ordinances, judgments, decrees, orders, rules and regulations has been stayed, suspended, enjoined, or otherwise limited by (a) the Competent Authority having jurisdiction over the Licensee's activities, (b) the entity promulgating or enforcing such statutes, ordinances, judgments, decrees, orders, rules and regulations, or (c) a court having jurisdiction over the matter.

2.2.4 Jurisdiction. Notwithstanding anything in this License to the contrary, and without derogation to the provisions of this License, the rates, terms, and conditions of, and governmentally promulgated standards for, the Provision of Electricity shall be as determined by a Competent Authority, as applicable, and compliance therewith shall be determined only by such Competent Authority.

2.2.5 Consent. Whenever performance of an obligation of the Licensee hereunder requires the consent or approval of Competent Authority, the Licensee shall make a Good Faith Effort to obtain such consent or approval. The City shall take all reasonable efforts to support the Licensee in securing such consent or approval. The Licensee shall not be considered to be in default or breach of any such obligation if, notwithstanding the Licensee's Good Faith Efforts, the Licensee is unable to obtain any such required consent or approval.

3. TERM & TERMINATION

3.1 Term. Subject to termination by the City or Licensee under Paragraph 3.3 or as a result of the closing of a municipal acquisition under Paragraph 5, this License shall commence on the Effective Date and shall extend as provided in Paragraph 3.4 below.

3.2 Acceptance and Effective Date. This License shall be effective and in full force as of the date that the ordinance by which the License has been authorized takes effect (the "Ordinance Effective Date"), if within thirty (30) days of the Ordinance Effective Date, Licensee executes a written instrument approved in form and substance by the Corporation Counsel of the City, pursuant to which the Licensee: (a) accepts without qualification the rights and privileges granted by this License, subject to the included terms and conditions; and (b) executes the EEA. The Parties acknowledge that the date set forth in the initial paragraph of this License constitutes the date on which the requirements and conditions set forth in this Paragraph 3.2 have been satisfied and fulfilled, and, accordingly, such date shall be deemed to be the Effective Date for purposes of this License.

3.3 Termination.

3.3.1 Material Licensee Breach. This License may be terminated by the City during the Term, upon one year's written notice to Licensee, if a Material Licensee Breach has

occurred and is continuing. A “Material Licensee Breach” occurs if Licensee fails: (a) to remedy or cure any material breach or default of this License by Licensee within one hundred and eighty (180) days following written notice to do so by the City, if the issue of such breach or default shall not have been submitted to an Arbitration Board, defined below, pursuant to Paragraph 8.9.4 hereof (unless the Parties have agreed upon a shorter or longer time period for remedy or cure as part of the pre-arbitration resolution procedures set forth in Paragraph 8.9.3); or (b) to remedy or cure any material breach or default of this License by Licensee, the issue of which breach or default shall have been submitted to an Arbitration Board as provided in Paragraph 8.9.4 hereof, in the manner and within the time fixed in the decision of said Arbitration Board upon finding that such breach or default existed.

3.3.2 Material City Breach. This License may be terminated by Licensee during the Term, upon one year’s written notice to the City, if a Material City Breach has occurred and is continuing. A “Material City Breach” occurs if the City fails: (a) to remedy or cure any material breach or default of this License by the City within one hundred and eighty (180) days following written notice to do so by Licensee, if the issue of such breach or default shall not have been submitted to an Arbitration Board pursuant to Paragraph 8.9.4 hereof (unless the Parties have agreed upon a shorter or longer time period for remedy or cure as part of the pre-arbitration resolution procedures set forth in Paragraph 8.9.3); or (b) to remedy or cure any material breach or default of this License by the City, the issue of which breach or default shall have been submitted to an Arbitration Board as provided in Paragraph 8.9.4 hereof, in the manner and within the time fixed in the decision of said Arbitration Board upon finding that such breach or default existed.

3.3.3 Obligations upon Termination. Upon termination of this License, the City and the Licensee shall each discharge by performance all obligations due the other that arose up to the date of termination of this License. Upon the effective date of termination of this License, all rights and privileges granted to the Licensee and the City under this License shall come to an end. The Licensee, upon sixty (60) days’ written notice to the City, to be given within one year after the termination of this License as provided in this Paragraph 3, within a reasonable time may remove its Utility Facilities from the Public Ways or Property, unless the City exercises its municipal acquisition right in accordance with Paragraph 5 hereof.

3.4 Extension.

3.4.1 Extension following Initial Term. Upon expiration of the Initial Term, this License shall be automatically extended through the Continuation Term.

3.4.2 Coordination Council Discussions regarding Extension Term. By June 1, 2035, the Coordination Council, as defined below, shall have met to identify, discuss, and present the Parties’ data concerning the cooperation and performances under the License, and to discuss extending the Term of this License for the Extension Term.

3.4.3 Extension following Continuation Term. On or before December 31, 2036, the City and Licensee may mutually agree to exercise an option to extend the License through the Extension Term.

3.4.3.1 If the Parties agree to exercise the option, then upon expiration of the Continuation Term, this License shall be extended through the Extension Term.

3.4.3.2 If the Parties do not agree to exercise the option, then the Term shall automatically continue beyond December 31, 2037 until terminated by written notice given by either Party to the other, which written notice of termination shall be given no later than one (1) year prior to the effective date of such termination of the Term (as set forth in such written notice of termination). Upon such automatic continuation, this License shall continue to be in effect, with all provisions of this License retaining the same force and effect as before the automatic continuation. Any portion of the Term of this License that falls within any period after December 31, 2037 described in this Paragraph 3.4.3.2 shall be deemed to constitute a portion of the Continuation Term for purposes hereof.

3.4.4 Extension following Extension Term. If (a) the Parties mutually agree to extend the Term for the Extension Term as provided in Paragraph 3.4.3 above, and (b) neither Party has given notice to the other, on or before December 31, 2041, that it intends to permit the Term of this License to expire on December 31, 2042, or, in the case of the City, that it intends to acquire the Utility Facilities pursuant to Paragraph 5 of this License, then the Term shall automatically continue beyond December 31, 2042 until terminated by written notice given by either Party to the other, which written notice of termination shall be given no later than one (1) year prior to the effective date of such termination of the Term (as set forth in such written notice of termination). Upon such extension, this License shall continue to be in effect, with all provisions of this License retaining the same force and effect as before the extension. Any portion of the Term of this License that falls within any period after December 31, 2042 shall be deemed to constitute a portion of the Extension Term for purposes hereof.

4. MUNICIPAL COMPENSATION

4.1 Municipal Compensation.

4.1.1 Amount of Municipal Compensation. The amount of Municipal Compensation for this License shall be determined by and pursuant to the Electricity Infrastructure Maintenance Fee Law (35 ILCS 645), or its successor or replacement (the "Fee Law"). The parties acknowledge that the City has implemented the Fee Law through adoption of the Chicago Electricity Infrastructure Maintenance Fee Ordinance (Chapter 3-54 of the Municipal Code of Chicago) (the "Fee Ordinance"). The Fee Ordinance in effect as of the Effective Date is incorporated by reference herein; provided, however, in the event of any conflict between the provisions of the Fee Ordinance and this License, the provisions of this License shall control. Any amendment or repeal of the Fee Ordinance occurring after the Effective Date shall not modify this License unless and until this License is amended to reflect the amendment or repeal of the Fee Ordinance, except that if the Fee Law is repealed or invalidated without a successor or replacement, the annualized Municipal Compensation shall, for the remaining Term of this License, be equal to the Municipal Compensation that was due in the last full calendar year prior to such repeal or invalidity, but shall be increased on January 1 of each subsequent year by a percentage equal to the percentage increase for the previous twelve (12) month period, using the index month that is three (3) full months prior to the anniversary month, in the Consumer Price Index for All Urban

Consumers, U.S. City Average, all items, as published by the United States Department of Labor, Bureau of Labor Statistics.

4.1.2 Applicability of Certain Fees. The Municipal Compensation provided for in Paragraph 4.1.1 shall be in lieu of any permit, license, or similar fees or charges imposed by the City upon Persons for use of the Public Ways or Property, excluding the following reasonable permit, license, or similar fees or charges, charged at the City's then-standard rates, for which Licensee shall continue to be responsible: (a) loss of revenue for parking meter charges for parking meters that are required to be removed from service by work of the Licensee; (b) degradation fees where Licensee does not make timely repair of the damage to the same condition as when Licensee's work was initiated; (c) any other categories of fees or charges made applicable to Licensee through mutual agreement of the Parties; and (d) fees or charges for the Office of Underground Coordination or the 811 Chicago system. For avoidance of doubt, this Paragraph does not exempt Licensee from fines or civil penalties for which it is liable under law. Licensee shall actively participate in CDOT project coordination processes, including with respect to MOUs and dotMaps, to ensure efficient construction and final restoration in and around the Public Ways or Property on recently-restored surfaces. The City shall not unreasonably delay, withhold, or withdraw any permit or approval the Licensee is required to obtain because of any unpaid fees or charges unrelated to such permit or approval.

4.2 Offset. Costs owed to the Licensee by the City may, upon mutual agreement of the Parties, be deducted on a dollar-for-dollar basis from sums owed to the City by the Licensee.

5. MUNICIPAL ACQUISITION

Upon not less than one (1) year's prior written demand by the City, which demand shall not be given earlier than one (1) year prior to the commencement of the Continuation Term, the Licensee shall grant, bargain, sell, convey, assign, and set over to the City, or any public authority designated by the City, Utility Facilities located within Chicago that Provide Electricity to customers within Chicago, free and clear of all mortgages and other liens, for a cash consideration equal to the cost of reproduction new of such Utility Facilities, minus the depreciation in such Utility Facilities (which shall be taken to be the same proportion of the cost of reproduction new as its then Depreciation Reserve bears to its investment in electric plant), plus the net actual costs of separating the Utility Facilities to be transferred to the City from other portions of Licensee's system in accordance with the Licensee's safety, reliability, design, and performance standards, plus the Municipalization Increment; provided that the maximum consideration for the Utility Facilities shall not exceed the sum of (i) Licensee's investment in such Utility Facilities plus (ii) the Municipalization Increment, and the minimum consideration shall not be less than the sum of (x) the difference between Licensee's investment in such Utility Facilities and the amount of Licensee's Depreciation Reserve, plus (y) the Municipalization Increment. Such "Depreciation Reserve", "investment in electric plant" and "investment in Utility Facilities" shall be taken as shown by Licensee's books of account kept in accordance with applicable laws and regulations.

6. MANAGEMENT AND SERVICE

6.1 Basic Obligation. The Licensee shall, in compliance with all rates and schedules on file with Competent Authorities governing the Provision of Electricity within Chicago, furnish, provide, and maintain such service instrumentalities, equipment, and facilities as shall promote the safety, health, comfort, and convenience of its patrons, employees, and public and as shall be in all respects adequate, efficient, just, and reasonable. In furtherance of the foregoing obligation, the Licensee shall, and the City shall permit the Licensee to, from time to time, enlarge, extend, construct, and acquire Utility Facilities as Licensee shall determine to be reasonably necessary to provide adequately for the electric energy needs of users of its electrical service within Chicago. During the Term of this License, the Licensee shall comply with all laws, regulations, and orders of Competent Authorities respecting the Licensee's Provision of Electricity in Chicago pursuant to this License.

6.2 Management and Operation. During the Term of this License, the Licensee shall be honestly, prudently, and efficiently managed. Licensee shall, to the full extent of its ability, provide Utility Facilities adapted for serviceable, efficient, and economical Provision of Electricity adequate for actual and potential users thereof in Chicago, and operate and maintain such Utility Facilities reasonably and prudently and in accordance with the highest industry standards for the Provision of Electricity and applicable rules and orders of a Competent Authority.

6.3 Emergency Procedures.

6.3.1 The Licensee shall, in coordination with the City's police and fire departments, establish standard operating procedures for emergency situations, including procedures for cutting and restoring power at locations involved in police and fire emergencies. A copy of Licensee's then current standard operating procedures for emergency situations shall be included in the Annual Report, noting any substantive revisions made to the document since the previous Annual Report.

6.3.2 In the event of an emergency that the Licensee believes poses a threat of imminent harm to the public or to any of the Utility Facilities, the Licensee is hereby granted access to the Public Ways or Property without a permit to ameliorate the threatened harm. The Licensee shall advise the Executive Director of the Office of Emergency Management and Communications ("OEMC"), Superintendent of Police, the Fire Commissioner and the Commissioner of AIS, or their designees or successors, by phone and email of the emergency at its earliest feasible opportunity.

6.3.3 The Licensee shall maintain such local offices and facilities as it deems adequate for the purpose of providing the City with 24-hour emergency service pertaining to the operation of the Utility Facilities. The Licensee shall provide the City with the location and telephone number of the local office, the name of the Licensee's emergency representative and the telephone number or numbers at which the Licensee's emergency representative can be reached 24 hours a day. The contact information for the Licensee's emergency representative shall be provided in the Annual Report.

6.3.4 In satisfaction of the requirements of Municipal Code of Chicago Chapter 7-58 (Emergency Energy Plan), Licensee shall annually, no later than the end of May, submit a Summer Emergency Preparedness Plan to the City, to the Executive Director of the OEMC, and to the Commissioner of AIS.

6.4 Service Representative.

6.4.1 The Licensee shall maintain such local offices and facilities as it deems adequate for the purpose of providing repair and maintenance services and personnel available during normal business office hours to address concerns the City might have regarding the Provision of Electricity and the administration of this License. The Licensee shall designate a service representative for Chicago and provide the City with the location and telephone number of the local office and the name and telephone number of the Licensee's service representative. The contact information for the Licensee's service representative shall be provided in the Annual Report.

6.4.2 Licensee shall promptly notify the City in the event that the information required to be provided under the last two sentences of Paragraph 6.3.3 or the last sentence of Paragraph 6.4.1 is changed.

6.5 Maintenance and Standards.

6.5.1 All Utility Facilities located in or on the Public Ways or Property shall be maintained in good condition. The Licensee shall be responsible, at its expense, for the maintenance and repair of such Utility Facilities. For clarity, Licensee shall not be responsible for maintenance or repair of any vaults, rooms, chambers, corridors, tunnels, or similar spaces or enclosures which are owned, leased, or licensed by Persons (including the City) other than Licensee in which any Utility Facilities may be located from time to time ("Non-Licensee Facilities"). Licensee will provide to the City by no later than January 1, 2026 a list in an agreed format of such Non-Licensee Facilities located in or on the Public Ways or Property which are actually known to Licensee at that time. CDOT shall use best efforts to support Licensee's efforts and shall provide the Licensee with relevant information concerning the location and configuration of such Non-Licensee Facilities known to the City.

6.5.2 All Utility Facilities shall be maintained throughout the Term in such a manner that they do not create hazardous conditions on or adjacent to the Public Ways or Property.

6.5.3 Licensee shall continue to evaluate and, when and where it deems appropriate, revise, supplement, update, and implement its standards for equipment installation, fire safety, maintenance, and security at its substations. The City shall cooperate with Licensee's implementation of such standards.

6.6 Service Interruptions. Licensee shall use reasonable efforts to prevent power surges and interruptions of service. The Licensee shall use reasonable efforts to reduce the duration and frequency of service interruptions to users of its electric service in Chicago. When power surges

or interruptions occur, the Licensee shall reestablish service with the shortest possible delay consistent with general safety and public welfare.

6.7 Pricing Commitment. Except as otherwise required or allowed by law or by order of Competent Authority, the Licensee shall maintain its prices and charges for Providing Electricity at a level that is substantially equal to its cost of Providing Electricity, including the cost of capital.

6.8 Notice of Boundary Changes. The City agrees to notify the Licensee in writing of any ordinance, statute or court or administrative action that causes a change in the City's boundaries. Failure to give such notice excuses the Licensee both from non-compliance with this License and the Fee Ordinance, and from the non-collection of any municipal utility taxes within the area affected until such notice is given.

7. EQUAL OPPORTUNITY/AFFIRMATIVE ACTION

7.1 Equal Opportunity. During the Term of the License, the Licensee shall continue to make Good Faith Efforts to expand employment, business and economic opportunities on an equal-opportunity basis. The Licensee's initiatives in this area shall include the items set forth below.

7.1.1 Nondiscrimination. The Licensee shall not discriminate against any employee or applicant for employment, customer or applying customer, or any contractor or potential contractor, because of race, creed, color, religion, age, sex, gender identity, national origin, handicap or disability, ancestry, marital status, parental status, sexual orientation, or military discharge. The Licensee shall comply with all federal, state and City laws, ordinances and orders that prohibit discrimination, including, but not limited to, the aforementioned forms of discrimination.

7.1.2 Affirmative Action. The Licensee shall make Good Faith Efforts to expand and improve opportunities for minorities and women in all areas of employment, including, but not limited to, hiring, promotion, recruitment or recruitment advertising, compensation and selection for training and apprenticeship. The City and the Licensee acknowledge that the Licensee has previously undertaken efforts to achieve equal employment opportunities and currently has implemented equal employment opportunity affirmative-action plans. These efforts and the plans currently in effect shall be continued and expanded, as appropriate, to meet the goal of expanding employment, business and economic opportunities for minorities and women on an equal-opportunity basis. In view of the Licensee's efforts to date, the primary objectives of the Licensee's future affirmative-action initiatives shall be:

(a) continued improvement and expansion of employment opportunities for minorities and women in the work force of the Licensee;

(b) efforts to expand employment and promotion of minorities and women in those job categories and classifications, particularly in those managerial and professional levels, where minorities and women have been underutilized; and

(c) continuing implementation of training programs to increase the awareness of the Licensee’s supervisory personnel regarding the Licensee’s commitment to equal-opportunity initiatives.

Additionally, Licensee shall make Good Faith Efforts to continue implementation of programs designed to provide increased awareness of and access to employment opportunities to City residents of EIEC or SEDA communities.

7.1.3 Purchasing. The Licensee shall make Good Faith Efforts to increase contracting and procurement opportunities for minority-owned business enterprises (“MBEs”) and women-owned business enterprises (“WBEs”). The Licensee’s efforts shall include Good Faith Efforts to achieve the target performance level for any supplier diversity performance metric established by the ICC by regulation or in connection with any rate plan. The City and the Licensee acknowledge that the Licensee has established a minority purchasing program and has previously undertaken efforts to promote and enhance contracting opportunities for MBEs. This program shall be continued and expanded, as appropriate, to increase contracting opportunities for MBEs and WBEs. Licensee shall include in the Annual Report a description of (i) its efforts to increase contracting and procurement opportunities for MBEs and WBEs in Chicago and (ii) its supplier diversity performance as reported to the ICC.

7.1.3.1 Participation Goals and Waivers.

The Licensee shall undertake actions that by their scope, intensity, and appropriateness can reasonably be expected to achieve the following goals:

(a) Participation of Certified MBEs in the Licensee’s contracts related to design and construction and/or rehabilitation of the Licensee’s Utility Facilities in, or on property owned by, Chicago equal to 32% of the total dollar value of such contracts and to achieve participation of Certified WBEs equal to 10% of the total dollar value of such contracts.

(b) Fill 35% of new Construction Worker/Overhead Helper classes (entry-level field trades roles), and fill 20% of new Customer Service Representatives classes, with City residents from EIEC or SEDA communities on an annual basis for the Term of the License.

(c) In the calculation of the participation values set forth in Paragraph 7.1.3.1(a) and 7.1.3.1(b), the Licensee’s MBE and WBE coordinator may exclude contracts and classes of contracts if, notwithstanding in Licensee’s Good Faith Efforts,

(i) there are no Certified MBEs or WBEs known to the Licensee that provide the materials or services required by a contract or class of contracts; or

(ii) there are no Certified MBEs or WBEs that bid on a contract or class of contracts who can provide contract materials or services of a sufficient quantity and quality to meet the Licensee’s standards and specifications.

7.1.3.2 Goal Shortfalls. If there is a shortfall as of the end of any calendar year in the achievement of the goals established in subparagraphs (a) or (b) of Paragraph 7.1.3.1,

and Licensee does not make a showing that it made Good Faith Efforts to achieve those goals, then Licensee shall submit a remediation plan reasonably acceptable to the City to resolve any such shortfall. Any dispute over whether Licensee has implemented an accepted remediation plan or whether any rejection by the City of a proposed remediation plan was reasonable is subject to the dispute resolution process of Paragraph 8.9.

7.1.3.3 Regulatory Metrics and Performance. Licensee shall use Good Faith Efforts to meet or exceed, in each calendar year during which such a metric is in effect, the level of performance required to earn between zero and the maximum incentive basis points under the Supplier Diversity Performance Metric approved by the ICC and applicable to ComEd.

7.1.4 Community Outreach. The Licensee shall continue and expand, as appropriate, its community outreach programs focused on employment, training, and procurement for minorities and women and communities with high barriers to employment (including without limitation, residents returning from incarceration and individuals with disabilities). In continuing the development and implementation of these programs, the Licensee shall actively seek the advice of representative organizations. Licensee shall include in the Annual Report a description of its efforts with regard to community outreach that is focused on employment, training, and procurement for minorities, women, and communities with high barriers to employment in Chicago.

7.2 Implementation. It shall be the responsibility of Licensee to continue to undertake actions that by their scope, intensity, and appropriateness can reasonably be expected to develop and implement the equal-opportunity initiatives described in Paragraphs 7.1.3 and 7.1.3.1 above. To facilitate and assure that such actions are undertaken as required herein, Licensee shall designate the employees who shall be responsible for implementing, monitoring, and evaluating these initiatives. Licensee shall provide adequate staff and support resources to meet these responsibilities.

7.3 Annual Reporting. Licensee shall include in the Annual Report a description of its efforts to achieve the goals and objectives set forth in 7.1 and 7.2.

7.4 Duty to Cooperate with City Inspector General. Licensee shall comply with the requirements of Section 2-56-090 of the Municipal Code of Chicago.

7.5 City Resident Employment Requirement.

7.5.1 For Non-Grid Work necessary to construct the Licensee's proposed Clean Energy Training Hub as described in Exhibit A of the EEA ("CETH"), the Licensee shall follow the process described in this Paragraph 7.5 to solicit bids from (a) contractors that offer to perform the work with a Resident Worker Percentage of at least fifty percent (50%) and (b) contractors that offer to perform the work with a Resident Worker Percentage of at least fifty (50%), which work performance would also include a Resident and SEDA/EIEC Worker Percentage (which includes fifteen and a half percent (15.5%) of the fifty percent (50%) from SEDA/EIEC communities).

7.5.2 In addition, each time during the Term that Licensee, in its sole discretion, determines there is a need to contract for the performance of Non-Grid Work for an Eligible Project, Licensee shall follow the process described in this Paragraph 7.5 to solicit bids from contractors that offer perform the work with a Resident Worker Percentage of at least twenty percent (20%) and (b) contractors that offer to perform the work with a Resident Worker Percentage of at least twenty (20%), which work performance would also include a Resident and SEDA/EIEC Worker Percentage (which includes fifteen and a half percent (15.5%) of the twenty percent (20%) from SEDA/EIEC communities).

7.5.3 Licensee shall solicit and receive bids for contracts to perform Non-Grid Work that is subject to the terms of this Paragraph 7.5 as follows:

7.5.3.1 Licensee shall solicit bids for such work from qualified contractors. Licensee shall request that such qualified contractors submit bids that include the applicable Resident Worker Percentage and the applicable Resident and SEDA/EIEC Worker Percentage, if possible. Licensee shall solicit these bids in accordance with procurement terms and procedures that Licensee, in its sole discretion, determines are appropriate for the Non-Grid Work in question.

7.5.3.2 Licensee shall evaluate, in its sole discretion, the bids it receives to provide the requested services based on qualifications determined solely by the Licensee, including the bid pricing. From the qualified bids so received, Licensee shall, if it has received such bids, identify:

(a) A qualified bidder selected by Licensee who will commit to meet the applicable Resident Worker Percentage of at least twenty percent (20%) for Eligible Projects and fifty percent (50%) for CETH (an “RWP Bid”),

(b) A qualified bidder selected by Licensee who will commit to meet the applicable Resident and SEDA/EIEC Worker Percentage of at least twenty percent (20%) for Eligible Projects and fifty percent (50%) for CETH (an “RSWP Bid”), and

(c) a qualified bidder selected by Licensee who (x) has not so committed and (y) has submitted a bid with a lower aggregate contract price than the lower of the RWP Bid and the RSWP Bid (an “NRWP Bid”).

7.5.3.3 For avoidance of doubt, a qualified bidder may submit an RWP Bid, an RSWP Bid, and an NRWP Bid. Licensee shall, pursuant to Paragraph 12.6, provide notice to the City of 1) the difference in total bid cost between the RWP Bid and the NRWP Bid (“RWP Cost Difference”); 2) the difference in total bid cost between the RSWP Bid and the NRWP Bid (“RSWP Cost Difference”); 3) the percentage of the Cost Difference for the labor costs between the RWP Bid and the NRWP Bid (“CDP-R”); 4) the percentage of the Cost Difference for the labor cost between the RSWP Bid and the NRWP Bid (“CDP-RS”); and 5) an affidavit attesting to their calculation. The Licensee will also notify the City if Licensee’s Rider LGC allows for averaging the monthly recovery of the Cost Difference. Within twelve (12) business days of the provision of such notice, the City,

acting through the Commissioner, shall notify the Licensee, pursuant to Paragraph 12.6, whether it accepts the higher costs of either the RWP Bid or the RSWP Bid and acknowledges, and agrees that it will not dispute, that recovery of the RWP Cost Difference or RSWP Cost Difference (whichever the City accepts) will occur through and pursuant to the Licensee's Rider LGC. In the event that the City does not notify Licensee of its choice within that period or declines to accept either the RWP Cost Difference or the RSWP Cost Difference within the designated period above, this Paragraph 7.5.3 shall not apply.

7.5.3.4 If (i) the City accepts either the RWP Cost Difference or RSWP Cost Difference pursuant to Paragraph 7.5.3.3 above, (ii) a contract is entered into with a contractor submitting a selected RWP Bid or RSWP Bid, and (iii) the actual contract cost at the conclusion of the applicable Eligible Project or CETH project is higher than the applicable RWP Bid or RSWP Bid, then a portion of the costs incurred above the selected RWP Bid or RSWP Bid shall also be recovered through and pursuant to Rider LGC. This additional cost shall be calculated as follows: the Licensee shall determine the cost for the labor component of this additional cost, and then multiply that labor cost by the associated CDP-R or CDP-RS, whichever is applicable.

7.5.4 The City acknowledges and accepts that Licensee will incur administrative expenses in connection with its obligations under this Paragraph 7.5, regardless of whether a bid with a Cost Difference is accepted by the City. The City acknowledges, and agrees that it will not dispute, that Licensee's costs to administer the activities of this Paragraph 7.5 shall be recovered pursuant to Rider LGC.

7.5.5 If the Licensee enters into a contract pursuant to an RWP Bid or RSWP Bid under Paragraph 7.5.3, the Licensee shall provide to the City monthly reports on the associated Resident Worker Percentage or Resident and SEDA/EIEC Worker Percentage (as applicable), as and to the extent such reports are provided to the Licensee by the contractor. The Licensee shall also provide to the City a final report on the associated Resident Worker Percentage or Resident and SEDA/EIEC Worker Percentage (as applicable) at the conclusion of the associated Eligible Project or CETH project (as applicable), as and to the extent information necessary to provide such report is provided to Licensee by the contractor.

7.5.6 Notwithstanding anything else to the contrary contained herein, (1) in no event shall Licensee be required to present to the City any bid or proposal from any contractor that Licensee determines is not qualified or suited to perform the applicable Non-Grid Work, (2) nothing contained in this Paragraph 7.5 shall be deemed to require Licensee to perform, or cause the performance of, any particular Non-Grid Work at any time, and (without limitation of the foregoing) Licensee shall have the right, at any time in its sole discretion, to terminate and/or cancel the bid process for any Non-Grid Work that Licensee may have commenced pursuant to this Paragraph 7.5 if Licensee elects not to proceed with such Non-Grid Work for any reason, (3) in no event shall any bidder or proposed bidder have any rights of any kind to exercise or enforce against Licensee the terms of this Paragraph 7.5 (whether as a third party beneficiary or otherwise), (4) in no event shall the City have any rights of any kind to exercise or enforce against Licensee the rights of any bidder under any contract between such party and Licensee (whether as a third party beneficiary or otherwise), (5) in no event shall an act or omission by any bidder in the execution of

Non-Grid Work be considered a breach of the License by the Licensee, and (6) in no event shall the City have any rights of any kind to impose any penalties or fines against the Licensee for failure by any bidder which has made an RWP Bid to meet the Resident Worker Percentage or the failure of any bidder which has made an RSWP Bid to meet the Resident and SEDA/EIEC Worker Percentage.

7.5.7 Nothing in this Paragraph 7.5 shall prohibit Licensee and the City from entering into separate agreements (for example, agreements with the City involving land acquisition, planned development, or finance assistance) that may address procedures relating to a Resident Worker Percentage or Resident and SEDA/EIEC Worker Percentage (as applicable) and in such instances, the terms of such separate agreements shall govern in lieu of this Paragraph 7.5, excluding those portions of this Article concerning the applicability of Rider LGC.

7.5.8 For the avoidance of doubt, the City agrees that this Paragraph 7.5 is an ordinance compelling the Licensee, directly and indirectly, to provide a service in addition to, different from, or instead of a service which the Licensee would otherwise be required to provide.

7.5.9 If at any point the full recovery of costs incurred by the Licensee for administration of this Paragraph 7.5 or the recovery of the Cost Difference through Rider LGC, Rider FCA, or their successors are limited, reversed, denied, discontinued, or such costs are otherwise not recoverable by Licensee pursuant to Rider LGC or Rider FCA because of an order of a Competent Authority, Licensee's responsibilities under this Paragraph 7.5 shall cease.

7.5.10 For the purposes of this Paragraph 7.5, the following terms shall have the respective meanings specified below:

“Actual residents of the City of Chicago” shall mean persons domiciled within the City of Chicago. The domicile is an individual's one and only true, fixed and permanent home and principal establishment.

“Eligible Project” shall mean a discrete construction or rehabilitation project involving Non-Grid Work located at one specific site located exclusively within the City of Chicago which project has a budgeted capital investment (exclusive of contingencies) exceeding \$50,000,000 (as such costs are reasonably estimated by Licensee).

“Non-Grid Work” for Eligible Projects shall only mean grading, excavation (excluding hydrovac activities), foundation construction, security and guard services during a project, temporary fencing required during project construction, landscaping, paving, and the following office construction activities: interior carpentry, plumbing, drywalling, painting, flooring, and cubicle construction performed by a third party contractor for Licensee. Non-Grid Work for the CETH shall only mean foundation construction, security and guard services during construction, temporary fencing required during construction, landscaping, paving, building retrofit and rehabilitation, and the following office construction activities: interior carpentry, plumbing, drywalling, painting, flooring, and cubicle

construction performed by a third party contractor for Licensee. Notwithstanding the foregoing, Non-Grid Work for Eligible Projects and for the CETH does not include work involving contact with, or special skill or experience working with, (a) electrical substations and/or electrical vaults, or (b) electric distribution, transmission and/or communications equipment, facilities, fixtures, improvements, or installations. For the avoidance of doubt, Non-Grid Work shall not include (i) work on or involving equipment, facilities, fixtures, improvements or installations used in the generation, storage, delivery, distribution, or transmission of electrical energy including without limitation wires, lines, cables, fiber, conduit, transformers, relays, switches, batteries, battery storage facilities and enclosures, microwave equipment, generators, microgrid installations and control, measurement, and safety systems, and supporting structures and/or facilities (including, without limitation, poles and towers), (ii) maintenance and/or repair work that does not involve construction or demolition, (iii) environmental investigation, testing, inspection, consultation, remediation and/or clean-up work, (iv) the purchase, acquisition, procurement, storage, moving or relocation of property, materials, equipment, facilities or other property, (v) professional services, such as accounting, engineering, architectural, appraisal, finance, legal, and/or consulting services, (vi) temporary support due to absences of regularly employed personnel or vacancies, or (vii) work performed by employees of Licensee or any of its affiliates. In addition, if Licensee determines in good faith that work that would otherwise qualify as Non-Grid Work must, in whole or in part, be performed on an emergency or otherwise time-sensitive basis that would not accommodate the procedures contemplated by Paragraphs 7.5.2 and 7.5.3 above, then such work shall not constitute Non-Grid Work and shall not be subject to the requirements of this Paragraph 7.5. The application of the criteria set forth in this definition will be made by Licensee at its sole discretion.

“Resident Worker Percentage” shall mean the percentage of worker hours performed on the site of an Eligible Project or CETH project (as applicable) by actual residents of the City of Chicago, Illinois, in comparison to the total hours performed for the scope of applicable Non-Grid Work.

“Resident and SEDA/EIEC Worker Percentage” shall mean the percentage of worker hours performed on the site of an Eligible Project or CETH project (as applicable) by actual residents of the City of Chicago of whom at least 15.5 percent shall be made up of residents located in EIEC or SEDA communities.

8. ENFORCEMENT AND INFORMATION

8.1 Ongoing Reports and Meetings.

8.1.1 Annual Report. On or before April 1 of each calendar year, beginning June 1, 2023, the Licensee shall provide the Commissioner with an Annual Report containing the following information: (a) an updated year-end Plant Report for the previous year; (b) an overview of the Licensee’s construction activities in Public Ways or Property during the

previous year; (c) an overview of the Licensee's plans for major construction projects in Public Ways or Property during the succeeding twelve months; (d) an overview of substation inspections described in Paragraph 8.4; (e) an overview on the Licensee's activities and initiatives as described in Paragraph 7.1; (f) annual data on zip code-level arrearages, shutoffs and customer assistance distribution, as well as its specific investments and activities designed to increase utilization and awareness of assistance programs in zip codes with high arrearages and shutoffs; and (g) any available annual reporting information as prescribed by the EEA. The Licensee shall concurrently provide the City with a redacted version of the Annual Report in accordance with the requirements of Paragraph 8.8 for disclosure to the public.

8.1.2 Reliability Reports. The Licensee shall use reasonable efforts to periodically provide to the City reports on reliability data twice a year. (a) The first periodic report shall provide the data and reports set forth in Schedule 1 attached hereto, and shall be provided by April 1 ("First Periodic Report"); and (b) the second periodic report shall provide the data and reports set forth in Schedule 2 hereto and shall be provided to the City by October 1 ("Second Periodic Report").

8.1.3 Meetings. The City and the Licensee shall hold periodic meetings to discuss electric service performance within the City, including the reliability thereof. The first periodic meeting shall be to discuss the Annual Report, the First Periodic Report, and such other matters incident to this License as either Party deems appropriate. Executives of Licensee and the Commissioner shall attend. The meeting shall be held in the second quarter of each year unless an alternative date is mutually agreed upon by the Parties. The meeting may be held before a City Council Committee or other forum to allow public participation. The second periodic meeting shall be to discuss the Second Periodic Report. The meeting shall be held in the fourth quarter of each year unless an alternative date is mutually agreed upon by the Parties.

8.2 Accounts and Reports; Audit Rights. The Licensee shall keep its books and records in accordance with the regulations of the ICC and any other Competent Authority. The Licensee shall permit the City to inspect or audit its books, accounts, correspondence, documents, and data for the purpose of ensuring that the Licensee is complying or has complied with the provisions of this License, other than those matters referenced herein that are subject to the exclusive jurisdiction of a Competent Authority other than the City. Any such inspection or audit shall be conducted during normal business hours upon reasonable written notice specifying the purpose of such inspection or audit, and the City shall provide Licensee with copies of all inspections, reports, findings or audits promptly after completion thereof. Any such inspection or audit of Licensee's financial books and accounts shall be conducted by or under the supervision of a certified public accountant employed or engaged by the City.

8.3 Physical Inspection. In the event that the City has reasonable concerns regarding Licensee's compliance with the terms of this License and notifies Licensee in writing thereof, the Licensee shall permit the City to inspect the Utility Facilities located in Chicago for the purpose of ensuring that the Licensee is complying or has complied with the provisions of this License, other than those matters referenced herein that are subject to the exclusive jurisdiction of a Competent Authority other than the City. Any such inspection shall be conducted during normal business hours upon reasonable written notice specifying the purpose of such inspection, and City

shall provide Licensee with copies of all inspections, reports, or findings promptly after completion thereof. Any such inspection shall be conducted through a qualified person acting under the direct supervision and responsibility of a professional engineer.

8.4 Substation Inspections. Licensee agrees to conduct regular inspections, including visual and thermographic inspections, of its distribution substations located in Chicago on a periodic basis determined by Licensee. Licensee considers a variety of factors in determining its schedule for conducting inspections of its substations in Chicago, including the criticality and impact of a potential outage of the relevant substation components, how often the components are used, and the environment in which the components operate, with appropriate adjustments based on system configuration, operating experience, failure history and/or regulatory requirements, and Licensee shall have the right to modify its substation inspection schedule from time to time based on the foregoing factors (and/or other factors which Licensee deems relevant). Licensee shall include in the Annual Report a summary of its substation inspection activities, including material corrective actions taken or planned to be taken as well as any substantive revisions made to the inspection schedule.

8.5 Filings. The Licensee shall via email to “ComEdICCFilings@cityofchicago.org” timely provide to the City (a) a copy of each tariff filing or public filing initiating a proceeding affecting the nature, or generally applicable rates, terms, or conditions, of the Provision of Electricity within Chicago, (b) a copy of each report publicly filed by Licensee with the ICC, FERC, and the Illinois Power Agency, and (c) a notice of the commencement of any regulatory proceeding at the ICC, FERC, or other Competent Authority to authorize or direct the transfer or assignment of any of its rights, privileges, or obligations under this License.

8.6 Limitation for Confidential Information. The reports described in Paragraph 8.5 shall not be provided to the City to the extent that the Licensee is required by law or regulation to keep such reports confidential.

8.7 Other Enforcement Information. The Licensee shall from time to time furnish such additional information or documents as the City reasonably deems necessary to assess the Licensee’s compliance with the provisions of this License, other than those matters referenced herein that are subject to the exclusive jurisdiction of a Competent Authority other than the City. Such information and documents shall be provided upon reasonable written request specifying the purpose for which such information or documents are requested, which purpose shall be a proper purpose under this License and necessary for the City to assess the Licensee’s compliance with this License; provided, that the Licensee shall not be required to provide information as to which it has a legal privilege or legal grounds to refuse to provide. The City may only require additional information or documents be provided as part of a new periodic reporting obligation, or incorporated into one of the Licensee’s existing periodic reporting obligations under this License,

if the City can articulate to the Licensee how and why the provision of such additional information or documents would reasonably assist in the improvement of Licensee's Provision of Electricity.

8.8 Disclosure of Documents or Information.

8.8.1 The Licensee understands and agrees that the City is subject to the Illinois Local Records Act, 50 ILCS 205/1 et seq., ("ILRA") and the Illinois Freedom of Information Act, 5 ILCS 140/1 et seq., ("FOIA") subject to the provisions of this License. Nothing in this Agreement shall prevent the City from complying with its obligations under ILRA or FOIA. The City agrees that no documents or information provided to the City by the Licensee in accordance with this License or otherwise shall be made available to the public to the extent such documents or information are exempt from disclosure under the provisions of FOIA, Section 4-404 of the Illinois Public Utilities Act, as such statutes may be amended from time to time, or a regulation or protective order issued by a Competent Authority. The Licensee shall mark all documents or information (or portions thereof) it believes in good faith constitute Confidential Materials as "Confidential" and shall simultaneously with the delivery of Confidential Materials to the City provide redacted materials for public dissemination.

8.8.2 The City acknowledges that it is Licensee's position that the Confidential Materials provided to the City by Licensee are exempt from production under FOIA and ILRA. Licensee shall identify personnel who should be contacted by the City FOIA officer in the event the Confidential Material is requested pursuant to a FOIA request, subpoena, or other court order or legal action (the "Licensee Contact Person"). Licensee will provide updated contact information for the Licensee Contact Person to the City FOIA officer should the name or contact information of the Licensee Contact Person change over time.

8.8.3 Should the City receive a request or otherwise be required to disclose any Confidential Materials by law or in a legal or regulatory proceeding, the City shall provide the Licensee with prompt notice of any such request or requirements to provide all Parties an opportunity to seek a protective order or other appropriate remedy. Upon receipt of such notice, the Licensee shall promptly notify the City if it objects to disclosure of such Confidential Materials and/or desires to defend against such legal or regulatory proceeding. In addition to the notice required by Paragraph 12.6, the City shall provide this notice by electronic mail to an address designated by Licensee with a subject line including "URGENT FOIA REQUEST." If the Licensee does not respond to such notice within seven (7) business days of Licensee's receipt of such notice or notifies the City that it does not object to disclosure of such Confidential Materials, the City will not be required to defend against such proceeding and will be permitted to release all or a portion of the Confidential Materials. The Licensee may seek to intervene at its own expense in any legal action resulting from the City's denial of a request to disclose a portion or all of the Confidential Materials where the Licensee objects to the release of the Confidential Materials in order to defend the claim of exemption from disclosure, and the City shall support such intervention into the proceeding. The Parties shall cooperate with each other and their respective counsel in any Party's efforts to prevent such disclosure of Confidential Materials, and, unless Licensee otherwise consents in writing, the City shall not release any Confidential Materials except to the extent required to do so by a final non-appealable order issued by a court of competent jurisdiction. The Licensee shall reimburse the City for reasonable legal fees of outside counsel and court costs

incurred by the City in such a legal action and shall indemnify the City for any attorneys' fees or penalties assessed against the City by a final non-appealable order issued by a court of competent jurisdiction as a result of an unsuccessful defense of a denial by the City of the request to release on grounds asserted by the Licensee, and at the Licensee's urging.

8.9 Dispute Resolution.

8.9.1 All disputes arising out of, relating to, or in connection with this License (except the issuance of Citations by the City to the Licensee), including any question as to whether such dispute is subject to arbitration or a circumstance in which one party claims that the other party has failed to fulfill any of its obligations under this License, shall be resolved by negotiation as set forth in this Paragraph 8.9, and, if such negotiation does not resolve such dispute, by binding arbitration as set forth in this Paragraph 8.9. The Parties agree that this Paragraph 8.9 is fully enforceable to the fullest extent provided by law.

8.9.2 Prior to submitting any matter involving an actual or alleged failure by a Party (a "Non-Complying Party") to observe, perform or satisfy any of the terms or conditions of this License to the pre-arbitration procedures set forth in Paragraph 8.9.3, the other Party (the "Complying Party") shall notify the Non-Complying Party in writing of the terms and conditions of this License that the Complying Party believes the Non-Complying Party has not observed, performed, or satisfied. The notice shall inform the Non-Complying Party of the actions that the Complying Party believes the Non-Complying Party must take to correct the violation and shall grant the Non-Complying Party a reasonable period of time to cure such failure or violation. In the case of an emergency, the notice need not be in writing.

8.9.3 No dispute may be arbitrated unless and until the pre-arbitration procedures in this Paragraph 8.9.3 have been completed.

- a. Any Party having any dispute with the other Party and seeking resolution of such dispute shall notify the other Party of such dispute in writing. In order to provide any such notification, the applicable Party shall have first complied with Paragraph 8.9.2.
- b. Within fifteen (15) business days of receipt by one Party of written notice of such dispute from the other Party, Licensee's Director of External Affairs and the City's Deputy Commissioner of AIS shall meet in person (or by telephone if an in-person meeting is impracticable) and attempt in good faith to resolve such dispute (the "Initial Meeting"). The Commissioner of AIS shall designate an individual to attend the Initial Meeting should there be a vacancy in the position of Deputy Commissioner, or should such position not be in existence at the time such Initial Meeting is scheduled to occur.
- c. If the Parties are unable to resolve the dispute at the Initial Meeting, any Party may inform the other Party in writing that the dispute remains unresolved (the "First Notice of Non-Resolution"). Within

fifteen (15) business days of receipt of the First Notice of Non-Resolution, a Senior Vice President (or more senior officer) of the Licensee and the Commissioner of AIS of the City shall meet in person (or by telephone if an in person meeting is impracticable) and attempt, in good faith, to resolve such dispute (the “Second Meeting”).

- d. If the Parties are unable to resolve the dispute at the Second Meeting, any Party may inform the other Party in writing that the dispute remains unresolved (the “Second Notice of Non-Resolution”). Within fifteen (15) business days of receipt of the Second Notice of Non-Resolution, the Parties shall exchange reasonably detailed written position papers, followed within another ten (10) business days by a further meeting between the Senior Vice President (or more senior officer) and the Commissioner of AIS.
- e. If, after the meetings contemplated above, (1) the Senior Vice President (or more senior officer) of the Licensee and the Commissioner of AIS, after following the procedures set out in Paragraph 8.9.3, jointly conclude that amicable resolution through continued negotiation of the dispute does not appear likely; or (2) either Party informs the other Party in writing of its position that the dispute cannot be resolved through negotiation, the Parties shall engage in a non-binding mediation administered by the American Arbitration Association or its successor (“AAA”) under its Commercial Mediation Procedures.
- f. If that mediation does not resolve the dispute within thirty (30) business days of the commencement of such mediation (*i.e.*, the first meeting among the Parties and the mediator), any Party may initiate a binding arbitration, as provided in Paragraph 8.9.4 of this License.
- g. Statements made by representatives of the Parties during the pre-arbitration resolution procedures set forth in this Paragraph 8.9.3 (including the position papers in clause (d) immediately above) shall be confidential and considered part of settlement negotiations and shall not be admissible as evidence in any Arbitration Board (as hereinafter defined) proceeding or any litigation or other proceeding between the Parties without mutual consent of the Parties.

8.9.4 If the Parties do not resolve the dispute pursuant to the procedures described in Paragraph 8.9.3, the dispute shall be exclusively and finally settled by the formation of an arbitration board (the “Arbitration Board”). Such arbitration shall be confidential except as reasonably necessary to enforce any arbitration award in a court of law.

- a. Unless the Parties otherwise agree, the Arbitration Board shall consist of three neutral and non-conflicted attorneys or former judges, each of whom shall have a minimum of fifteen (15) years of experience as lawyers or judges and have no direct or indirect interest in any Capital Security issued by either the City or Licensee. One member of the Arbitration Board will be selected by the City and one by Licensee, and the third (who shall act as Chair of the Arbitration Board) by the two so selected if they can agree within fifteen (15) business days, otherwise by the AAA pursuant to the AAA's Commercial Arbitration Rules ("AAA Rules"). Each member of the Arbitration Board shall act as a neutral arbitrator. The members of the Arbitration Board shall serve for such term and compensation as the City and Licensee shall mutually agree upon, or if they are unable to agree, then as fixed by the AAA pursuant to the AAA Rules.
- b. The Parties may agree, within ten (10) business days of the initiation of a dispute (*i.e.*, within ten (10) business days of the receipt by any Party of a notice of arbitration), to submit any technical dispute under this License to a technical Arbitration Board (the "Technical Board") consisting of three neutral and non-conflicted consulting engineers who shall have been engaged exclusively in private practice as such for at least five years immediately prior to their appointment and who have no direct or indirect interest in any Capital Security issued by either the City or Licensee. In such event, one member of the Technical Board will be selected by the City and one by Licensee, and the third (who shall act as Chair of the Arbitration Board) by the two so selected if they can agree within fifteen (15) business days, otherwise by the AAA pursuant to the AAA Rules. Each member of the Technical Board shall act as a neutral arbitrator. The members of the Technical Board shall serve for such term and compensation as the City and Licensee shall mutually agree upon, or if they are unable to agree, then as fixed by the AAA. The terms and conditions described in subsections c through j below shall also apply to the Technical Board.
- c. If the Parties agree that circumstances warrant (for example, but not as a limitation, in a matter involving a relatively low dollar amount), the Parties may agree to resolve the dispute using a single Arbitration Board member. If the Parties so agree, the Arbitration Board member will be selected by agreement of the Parties within fifteen (15) business days, or otherwise by the AAA pursuant to the AAA Rules.
- d. In the event any Arbitration Board member shall die or for any other reason refuse or be unable to act, his or her successor shall be appointed in the same manner and by the same person or persons as such member was appointed. Pending the appointment of such successor, all proceedings before said Arbitration Board shall be stayed; provided,

that if either the City or Licensee shall, for a period of thirty (30) days after notice is given to it by the other, fail or refuse to appoint a member to the Arbitration Board or a successor to a member of the Arbitration Board as herein set forth in this connection, then the member of the Arbitration Board appointed by the other Party and the third member appointed, if necessary, by the AAA aforesaid, shall constitute the Arbitration Board and function as such until such member or successor shall be appointed.

- e. The Arbitration Board shall follow the AAA Rules for Large, Complex Cases, except where they conflict with the provisions of this License, in which case(s) the provisions of this License shall control.
- f. Any hearing shall take place in Chicago, Illinois, unless otherwise agreed in writing by the Parties.
- g. All decisions, awards and recommendations made by the Arbitration Board shall be provided in a written, reasoned award, which provides the outcome and the reasoning for the outcome. All awards shall be concurred in and signed by at least two members of the Arbitration Board (unless the Parties have agreed to use a single Arbitration Board member, in which case any award shall be signed by that Arbitration Board member), and copies thereof shall be given to the City and Licensee promptly thereafter.
- h. Any award of the Arbitration Board or a majority thereof shall be final, binding, and conclusive upon both the City and the Licensee and shall be a condition precedent to any act, action at law or suit in equity by either the City or the Licensee to which said matters or any thereof, is or are relevant or determinative. Judgment on any award may be entered by any court with competent jurisdiction.
- i. Each Party irrevocably waives its right to a trial by jury, as well as its right to discovery or to an appeal that would customarily be available in a judicial proceeding but that may be limited or unavailable in connection with such an arbitration.
- j. Upon the written demand of either the City or the Licensee (which demand may be made by either the City or the Licensee not more often than once in any period of five consecutive years), the Arbitration Board may issue a written and reasoned award determining whether any change in laws, public regulations, invalidity of any of the provisions of this License, economic conditions or in the art or methods of Providing Electricity has caused any provision hereof (except provisions with respect to Term, Municipal Compensation or municipal acquisition) to become unreasonable or unfair to either the City or the Licensee or to

both, and if so, to recommend to the City and the Licensee the manner in which such unreasonableness or unfairness should be corrected, which recommendation may be enacted into an ordinance amending the provisions of this License, which amendatory ordinance shall be in force from the date of its acceptance in writing by the Licensee.

8.9.5 Except as may otherwise be provided elsewhere in this License, each Party shall be responsible for payment of the costs, fees and expenses of its own respective attorneys, consultants and experts retained in connection with any dispute hereunder. The costs, fees and expenses of any Arbitration Board engaged pursuant to this Paragraph 8.9 shall be split equally between the Parties.

9. USE OF PUBLIC WAYS OR PROPERTY

9.1 Non-Exclusive Grant.

9.1.1 Nothing in this License shall be construed to grant the Licensee an exclusive license to operate in Chicago. Except as otherwise provided herein, or by Competent Authority, the Licensee's work in or occupancy of the Public Ways or Property shall be at no direct expense to the City.

9.1.2 The City reserves the right to make a similar use itself, or to make a grant for a similar use by any other Person, of the Public Ways or Property.

9.1.3 The Licensee shall not unreasonably interfere with the use or occupancy of the Public Ways or Property by others. The City agrees to require all other contractors, subcontractors, franchisees, licensees and permittees in the Public Ways or Property to agree not to interfere unreasonably with the rights of the Licensee in the Public Ways or Property.

9.2 Permits and Procedure.

9.2.1 Subject to Paragraphs **Error! Reference source not found.**, 6.3.2, 12.1, and 12.2, the Licensee shall obtain all required permits before beginning any construction or other work in the Public Ways or Property. The Licensee shall comply in all material respects with the standard permit procedures of the City's departments for its operations in Chicago. The City shall not unreasonably delay, withhold, or withdraw any permit or approval the Licensee is required to obtain. In the event that any such permit is so delayed, withheld or withdrawn, the Licensee's failure to perform the work for which such permit is required shall not be deemed a breach or derogation of its obligations under this License. The terms and conditions of any permits or approvals issued to Licensee (including, without limitation, any cure periods therein) shall not be less favorable to Licensee than the City's standard terms and conditions applicable to such permits and approvals. The City may inspect the Licensee's work in the Public Ways or Property to assure that such work complies with permit requirements.

9.2.2 Easements. Licensee and the City, acting by and through the commissioner of the City department having authority over the Public Ways or Property with respect to any such rights with concurrence of the Corporation Counsel (or his or her designee),

may determine from time to time that, rather than granting Licensee with rights in the nature of a license with respect to certain Public Ways or Property to be used by Licensee pursuant to this License it is appropriate for City to grant Licensee easement rights to such Public Ways or Property pursuant to this License, and that any such easement rights granted to Licensee may be perpetual in duration or may otherwise have a term that extends beyond the Term of this License. For the avoidance of doubt, compensation for any such easement or other real property rights shall not be deemed covered by the Municipal Compensation under this License and shall be addressed separately for each such right, as applicable.

9.3 Restoration of Streets and Property. When the Licensee does any work in or affecting the Public Ways or Property, it shall, subject to any policies agreed pursuant to Paragraph 10.3.3, and at its own expense, promptly remove any obstructions therefrom and restore such Public Ways or Property to as good a condition as existed before the work was undertaken, unless otherwise directed by the City. If weather or other conditions do not permit the complete restoration required by this Paragraph, the Licensee may temporarily restore the affected Public Ways or Property, provided that such temporary restoration is at the Licensee's sole expense and provided further that the Licensee promptly undertakes and completes the required permanent restoration when the weather or other conditions no longer prevent such permanent restoration. The Licensee shall restore the Public Ways or Property pursuant to generally applicable rules and regulations of the City, subject to any policies agreed pursuant to Paragraph 10.3.3. If the Licensee fails to promptly restore the Public Ways or Property as required by this Paragraph 9.3, the City may, upon giving, and provided Licensee has not undertaken to cure such failure, 14 days' prior written notice to the Licensee, restore such Public Ways or Property or remove the obstruction therefrom, at the expense of the Licensee. The City shall not be obligated to provide prior written notice to Licensee pursuant to the preceding sentence if the City reasonably determines that an emergency situation exists that requires immediate restoration of such Public Ways or Property or removal of the obstruction therefrom.

9.4 Relocation. After receipt of written notice from the City (a "Relocation Request Notice"), the Licensee shall, at its own expense, temporarily or permanently relocate any Utility Facilities to another Public Way or Property or change or alter the position of any Utility Facilities in Public Ways or Property, or, at Licensee's election, remove or relocate the applicable Utility Facilities to property owned or controlled by Licensee, whenever the City shall have reasonably determined that such removal, relocation, change, or alteration is necessary (a) to the construction, repair, maintenance, improvement or use of such Public Ways or Property; (b) to the location, construction, replacement, maintenance, improvement, or use of other property of the City; or (c) for the operations of the City. If any such Utility Facilities contain a 34 kV or greater line, the City's Relocation Request Notice shall include the basis for the City's determination that such relocation, change, alteration, or removal is necessary for clause (a), (b) or (c) above. Licensee shall complete any such relocation, change, alteration, or removal within a reasonable time after Licensee's receipt of the applicable Relocation Request Notice, considering all relevant factors, including, without limitation, the nature and voltage of the applicable Utility Facilities, the scope of the work involved in such relocation, change, alteration, and/or removal, and any governmental or regulatory approvals required in connection therewith. The City acknowledges that any work required to be performed by the Licensee in connection with such relocation, change, alteration, or removal shall not by reason of this License be subject to any sourcing requirements of the City. The City agrees

to use its reasonable efforts to engineer its projects in the Public Ways or Property so as not to require any such relocation, change, alteration, or removal. If such relocations, changes, alterations, or removals cannot be avoided, the City shall take reasonable steps to minimize or mitigate Licensee's costs. Licensee will not be responsible under this License for any expense in connection with relocations, changes, alterations, or removals for the purpose of assisting private projects or projects for the benefit of other governmental entities (including, but not limited to, the Chicago Transit Authority, the Chicago Park District, the Chicago Housing Authority, the Chicago Board of Education, the Public Building Commission of Chicago, and City Colleges of Chicago) or similar governmental instrumentalities other than the City itself (regardless of whether the City is or may be a source of funding for such private projects or projects of any such other governmental entities or instrumentalities). To the same extent as such expenses would be the responsibility of any other customer of Licensee, if, pursuant to this Paragraph 9.4, the City requires the relocation, change, alteration, or removal of a Utility Facility that exclusively provides service to buildings or structures owned or operated by the City, expenses incurred by Licensee in connection with such relocation, change or alteration shall be the responsibility of the City.

9.5 Vegetation Management in Rights of Way.

9.5.1 Licensee shall implement and maintain a reliability based or cyclic trimming cycle pursuant to which Licensee shall cause, at its own expense, the normal growing trees and vegetation growing upon or overhanging any of the Public Ways or Property in the City where Utility Facilities are erected to be trimmed in such a manner that there shall be a proper clearance between the nearest wires or equipment and any portion of the trees or vegetation. Said trees and vegetation shall be trimmed so that no branches, twigs, or leaves interfere with the Utility Facilities. The Licensee shall exercise reasonable care to avoid unnecessary destruction of or serious harm to trees located in the Public Ways or Property. Licensee shall maintain a computerized system to track its vegetation management efforts in Chicago. The Licensee shall notify the City no less than seven (7) days before it plans to perform such work.

9.5.2 When a downed tree or portion of a tree poses an immediate threat to public safety due to its proximity to one of Licensee's power lines or energized structures, and the City requests Licensee to assist in removal of the tree or drop the power to the affected equipment during the tree removal, Licensee shall take prompt and reasonable action necessary to eliminate the public safety threat related to Licensee's power lines and energized structures.

9.5.3 When an undamaged tree is 10 feet or closer to one of Licensee's power lines or energized structures, and, the undamaged tree does not allow for City personnel to safely, under applicable National Electrical Safety Code standards, access the tree for trimming, and the City notifies Licensee of the need for assistance in conducting such trimming, Licensee shall perform such work within Licensee's control that the Parties agree is necessary to provide safe access for City personnel within ten (10) days of receipt of such notice.

9.5.4 The Licensee and the City agree to maintain a cooperative program for the removal and replacement of certain municipally owned trees located in the Public Ways or Property which conflict or potentially conflict with the Utility Facilities; the Coordination Council will facilitate discussions between the Licensee and the City concerning this program with a goal

of developing guidelines within six months following the Effective Date. The City further agrees to implement a policy for the purpose of regulating tree planting on the Public Ways or Property to allow only such low-growing tree species as will not attain a mature height that will conflict with primary electrical lines and thereby require line clearance maintenance. Such policy shall not be required to preclude planting upright, columnar, or pyramidal shaped trees to the side of power lines, thereby avoiding the need for severe and disfiguring line clearance tree trimming. The City further agrees that it will attempt to locate new trees and other new vegetation on the Public Ways or Property to minimize contact with Licensee's Utility Facilities. The Licensee agrees that it will attempt to locate new Utility Facilities on the Public Ways or Property installed in other than emergent circumstances to minimize impacts to existing City trees.

9.6 Use of Utility Poles and Conduit. The Licensee shall grant the City permission, at the City's sole risk and expense, to use the Licensee's conduit and poles located in Public Ways or Property, for any lawful purpose as may be reasonably required by the City; provided however, that such use (i) shall be exercised under the Licensee's supervision and direction, (ii) shall not materially interfere with the Licensee's current or planned use of the conduit and poles, (iii) shall comply with (and shall not cause Licensee's use of its conduits and/or poles to fail to comply with) all applicable safety, reliability, design, and performance standards, and (iv) shall not be for the purpose of allowing any Person other than Licensee to transmit or distribute electricity. The City shall be entitled to make such use without charge; provided however, that any such use by the City for a proprietary purpose or that provides a pecuniary benefit for any other Person, shall be subject to such terms and conditions, including fees and responsibility for relocation expenses, as Licensee may, at its discretion, reasonably require. In addition, the City shall indemnify and save harmless the Licensee from all Liability which may result directly or indirectly from the City's use of the Licensee's conduit and poles, except to the extent any Liability is caused by the negligence or willful misconduct of Licensee.

9.7 Undergrounding and Special Distribution Projects. At the request of the City, and subject to the terms of this Paragraph, the Licensee shall (a) underground Overhead Utility Facilities and (b) put into service one or more special distribution projects suggested by the City or jointly developed by the City and Licensee that Licensee would not otherwise put into service, or would have been put into service at a later date, provided that (i) such undergrounding and the design, construction, and operation of any special distribution project is determined by Licensee to be practical, and consistent with all applicable standards, and able to be completed with available material and labor resources and without adverse impact to the cost, timing, or performance of other work; and (ii) the total cost (or, if advanced, the cost associated with advancement) of such replacement and undergrounding of planned and existing Overhead Utility Facilities and of such special distribution project(s) shall not exceed, in the aggregate, ten million dollars (\$10,000,000) in any one calendar year; provided, further, that if Licensee agrees, the City may accelerate the ten million dollars (\$10,000,000) per calendar year expenditure cap for any succeeding years remaining within the Term, as applicable. For avoidance of doubt, such replacement and undergrounding of planned and existing Overhead Utility Facilities and the design, construction, and placement into service of such special distribution project(s) will require Licensee to (i) install facilities in addition to, different from, or instead of, (ii) remove existing facilities and replace them with facilities different from or at a different time than, facilities which Licensee would otherwise be required to provide in such replacement, and (iii) modify facilities which the Licensee would otherwise not be

required to modify, or modify facilities in a manner different from the manner in which the Licensee would otherwise be required to perform. Nothing in this Paragraph 9.7 alters the terms of any tariff or schedule on file with a Competent Authority that addresses recovery of such costs.

10. ONGOING COOPERATION

10.1 Periodic Meetings. The City and Licensee acknowledge and agree that it is in the best interests of the public for the City and Licensee to maintain open communications and cooperate with each other as reasonably necessary in connection with maintaining safe and reliable electric utility service to Chicago. In furtherance thereof, the City and Licensee agree to meet upon the reasonable request of the City or Licensee, to discuss appropriate matters related to the provision of such service, opportunities for additional coordination, and actions necessary, if feasible, to avoid submitting any matter covered by Paragraph 8.9 to the Arbitration Board. For the avoidance of doubt, any requested meeting pursuant to this Paragraph 10.1 shall be in addition to, and not in lieu of, the meetings provided for in Paragraph 8.1.3 and nothing in this Paragraph 10.1 shall be deemed to obligate either the City or Licensee to enter into any additional agreements or amend or otherwise modify this License.

10.2 Citation Cooperation. Subject to any policies agreed pursuant to Paragraph 10.3.3, the City and Licensee agree to cooperate and use reasonable efforts to evaluate procedures to eliminate, to the extent practicable, the issuance of any Citations related to Licensee's provision of electric utility services to Chicago, including Citations related to alleged violations of section 10-20-605, 10-28-040 or 10-28-070 of the Municipal Code of Chicago (as such may be amended from time to time). Nothing in this paragraph shall be construed as limiting the Licensee's compliance with other obligations as specified in Paragraph 2.2.3.

10.3 ComEd-City Coordination Council.

10.3.1 Within 30 days after the Effective Date, and thereafter on an annual basis, each Party shall designate not more than 3 staff representatives to act on the ComEd-City Coordination Council ("Coordination Council"). The City's Office of Climate and Environmental Equity ("OCEE"), or its successor, shall coordinate City staffing of the Coordination Council. The Coordination Council may designate committees to further coordinate its work and such committees may be staffed by Coordination Council members or other staff designated from time to time by the Parties.

10.3.2 The role of the Coordination Council shall primarily be to act as a liaison between the Parties to discuss issues arising under this License that have not been submitted for resolution pursuant to Paragraph 8.9.

10.3.3 Upon formation, the Coordination Council will, among other things, facilitate discussions, beginning within the first six months following the Effective Date, between the Licensee and CDOT, including its Division of Electrical Operations, to streamline and develop protocols for the coordinated exercise of the rights and obligations described in this License. These discussions may include: (a) utility facility locates; (b) coordination and communication for street openings; (c) communications concerning capital improvement plans; (d) Public Way and Property

permit processes; (e) dotMaps coordination; (f) three-party discussions between CDOT, OEMC, and the Licensee on outage communication; and (g) strategies to facilitate efficient electrical hook-ups of equipment in the Public Ways or Property consistent with Licensee's tariffs then in force.

10.3.4 Upon formation, the Coordination Council additionally will facilitate discussion between the Licensee and DWM, and the Licensee and CDA to develop within six months following the Effective Date more formal action plans to streamline and coordinate ongoing work with such departments.

10.3.5 The Coordination Council, upon request by the City, will also assist with any third party study (*e.g.* with the Electric Power Research Institute) and related implementation concerning utility service to the City.

11. TRANSFER AND ASSIGNMENT OF LICENSE

11.1 Transfer and Assignment Restrictions. Licensee shall not have the right to assign its rights and privileges under this License or to otherwise transfer such rights and privileges in any manner whatsoever without the prior written approval by an ordinance enacted by the City, subject to the following exceptions:

11.1.1 no such approval shall be required in connection with a merger, consolidation, division or reorganization of Licensee that has been approved by any applicable Competent Authorities, whose approval is required therefor under applicable law;

11.1.2 no such approval shall be required in connection with any transfer of the Utility Facilities and this License to an affiliate, as defined by 220 ILCS 5/7-101(2)(ii) and 42 USCS § 16451, of Licensee; and

11.1.3 the purchaser of the Utility Facilities at a judicial sale foreclosing the lien of, or at any execution sale consequent upon default and judgment under any present or future mortgage, deed of trust or other indenture providing for the issuance of the Licensee's long-term debt, shall succeed to the rights and license of the Licensee, but subject to all terms and provisions hereof.

11.1.4 Notwithstanding the foregoing Paragraphs 11.1.1, 11.1.2, and 11.1.3, Licensee shall not assign its rights and privileges under this License or otherwise transfer such rights and privileges if such assignment or transfer would result in a breach of this License or would impair the ability of the assignee or transferee to meet its obligations under this License.

11.2 Effect of Transfers and Assignments. In the event of a transfer or assignment of the Licensee's rights and privileges under this License, all provisions of this License that are obligatory

upon, or that inure to the benefit of, the Licensee shall also be obligatory upon and shall inure to the benefit of any and all successors and assigns of the Licensee.

12. ADMINISTRATION

12.1 Non-Waiver. Neither this Ordinance nor any provision or condition hereof shall waive, abridge, release, limit, surrender, impair, remove, or subordinate:

(a) any power, duty, or jurisdiction now or hereafter possessed by the City, the State of Illinois, or any officer, agency, department, or commission thereof;

(b) any provision of any constitution, statute, or order of Competent Authority, except to the extent any provision or condition of this License directly conflicts with any provision or condition of any ordinance or order of the City in effect as of the effective date of this License;

(c) any obligation or duty now or hereafter imposed upon Licensee by law or by order of Competent Authority; or

(d) any right of the City or the Licensee to obtain judicial review of any judgment or decree of a judicial tribunal or any order of Competent Authority.

12.2 License Requirements as Voluntary Undertaking; Laws and Requirements Relating to Providing of Electric Service.

12.2.1 The Licensee and the City understand and acknowledge that the general operations of the Licensee are under the jurisdiction of the ICC and FERC and the Licensee provides utility services under rates and schedules on file with Competent Authorities. The Licensee has agreed to perform the duties and obligations set forth in this License, provided that such performance does not violate any applicable regulatory requirement or any applicable statutes, rules, regulations, ordinances, or judgments, or decrees of any administrative or judicial tribunal.

12.2.2 Notwithstanding anything to the contrary contained herein, the Parties acknowledge and agree that this License shall not alter or impact the rights and obligations of the City and Licensee as (respectively) a customer of public utility and electric utility service and as an electric utility and public utility under applicable laws and tariffs. In the event that the City alleges the Licensee has failed to perform any duties or obligations that are the subject of the exclusive jurisdiction of a Competent Authority other than the City, the sole remedy for such violation shall be before that other Competent Authority. For purposes of determining the applicability of this Paragraph 12.2.2, no provision of this License, including without limitation Paragraph 8.9, may be used as the sole basis to defeat the exclusive jurisdiction of such Competent Authority.

12.3 Modification. Any material modification to this License shall be approved by the Licensee and an ordinance duly adopted by the City Council. The term “material” for purposes of this Paragraph 12.3 shall mean a modification to the provisions regarding Paragraphs 3, 4, and 5 and any modification which operates to cancel or otherwise reduce the obligations set forth in

Paragraphs 7.1 and 7.1.2. Any other modification to this License shall be in writing, shall establish the factual background relating to such modification, shall set forth the terms and conditions of such modification, and shall be duly executed by both Licensee and the City, acting through the Commissioner. Any modification to this License shall take effect only upon execution and delivery thereof by both Parties. Upon such execution and delivery, the modifications shall become a part of this License and all other provisions of this License shall otherwise remain in full force and effect. For clarity, a modification to this License addressing and/or evidencing the decision of the Parties as to whether to extend the Term of this License for the Extension Term, as provided in Paragraph 3.4 above, shall not constitute a material modification to this License for purposes of this Paragraph 12.3.

12.4 Indemnification and Reimbursement.

12.4.1 The Licensee, at all times during the Term hereof, at its sole expense and risk, shall indemnify the City, its officers, and its employees against any and all Liability incurred by it or them:

(a) for loss or damage to property of the Licensee, its officers, agents, employees, licensees and invitees in Public Ways or Property pursuant to this License, or for injury to or death of any such employee, agent or licensee while in Public Ways or Property pursuant to this License, however arising, except to the extent any such Liability is caused by the willful and wanton conduct of the City, its officers, or its employees, as finally determined by a court or pursuant to Paragraph 8.9 of this License, or as otherwise agreed to by the Parties; or

(b) for other loss or damage to property or injury to or death of persons arising from any act or omission of Licensee or any person acting for it done within Public Ways or Property by virtue of or pursuant to this License or any right or license granted hereunder or any authorization, plan or specification approved, prescribed or issued pursuant hereto, except to the extent any such Liability is caused by the willful and wanton conduct of the City, its officers, or its employees, as finally determined by a court or pursuant to Paragraph 8.9 of this License, or as otherwise agreed to by the Parties.

12.4.2 The City shall promptly pay Licensee for any such Liability incurred by Licensee to the extent such Liability is caused by the willful and wanton conduct of the City, its officers, or its employees in connection with any contact with any power lines, cables or other property or facilities of Licensee, as finally determined by a court or pursuant to Paragraph 8.9 of this License, or as otherwise agreed to by the Parties.

12.4.3 Nothing contained in this Paragraph 12.4 shall be deemed or construed to waive or limit any claim, demand, cause of action, suit, right or remedy which Licensee may have or to which Licensee may be entitled at law, in equity or otherwise against any contractor, representative, or agent of the City (other than an officer or employee of the City) for any Liability caused by or resulting from the acts, omissions, negligence, or willful and wanton conduct of any such contractor, representative, or agent of the City.

12.5 Remedies. No remedy that would have the effect of amending the specific provisions of this License shall become effective without such action as would be necessary to formally amend the License as provided in Paragraph 12.3.

12.6 Notices. Unless otherwise specified in this License, all notices, requests, demands, approvals, or other communications pursuant to or required by this License shall be in writing, sent to the persons named below, and either personally delivered, sent by a nationally recognized overnight delivery service, postage prepaid, or sent via United States certified mail, return receipt requested, postage prepaid. The designated recipient or address for either Party may be changed by notice given in accordance with the requirements of this provision. Copies of any notices relating to non-compliance, termination or acquisition shall also be given, at the same time, to the Corporation Counsel of the City and to the General Counsel of the Licensee.

<p>The City: ATTN: Office of the Mayor City of Chicago City Hall 121 North LaSalle Street Chicago, IL 60602</p> <p>and City of Chicago Department of Assets, Information and Services (AIS) 2 N. LaSalle Street, Suite 200 Chicago, IL 60602</p>	<p>Licensee: ATTN: [●] Commonwealth Edison Company External Affairs Department 10 South Dearborn Street, 49th Floor Chicago, IL 60603</p> <p>and</p> <p>ATTN: [●] Commonwealth Edison Company Large Customer Services 10 South Dearborn Street, 49th Floor Chicago, IL 60603</p>
<p>With a copy to: Corporation Counsel Department of Law City of Chicago City Hall 121 North LaSalle Street Chicago, IL 60602</p>	<p>General Counsel Commonwealth Edison Company 10 South Dearborn Street, 52nd Floor Chicago, IL 60603</p>

Except as may otherwise be provided in this License, all notices, requests, demands, approvals, or other communications hereunder shall be deemed to have been given as of the date of actual receipt or refusal of receipt thereof.

12.7 Entire Agreement. The City and the Licensee agree that the provisions, terms, and conditions of this License comprise the entire agreement of the Parties concerning matters covered by this License.

12.8 Severability. If any Section, Paragraph, clause, or provision of this License shall be held invalid, the invalidity of such section, paragraph, clause, or provision shall not affect any of the other provisions of this License.

12.9 Governing Law. This License shall be governed by, and construed in accordance with, the laws of the State of Illinois, without regard to its conflict of laws rules.

12.10 Force Majeure. Neither Party shall be deemed in violation of this License for the delay in performance or failure to perform in whole or in part its obligations under this License due to strike, war or act of war (whether an actual declaration is made or not), sabotage, terrorism, insurrection, riot, act of public enemy, pandemic, fire, flood or other act of God or by other events to the extent that such events are caused by circumstances beyond such Party's control and are not caused by gross negligence on the part of such Party or any person acting on its behalf. In the event that the delay in performance or failure to perform affects only part of a Party's capacity to perform its obligations under this License, such Party shall perform such obligations to the extent it is able to do so in as expeditious a manner as possible. The affected Party shall promptly notify the other Party's representative in writing of an event covered by this Paragraph and the date, nature, and cause thereof. Furthermore, in such notice, the affected Party shall indicate the anticipated extent of such delay and the obligations under this License expected to be affected thereby.

12.11 Time of Essence. Whenever this License requires an act to be performed by or within a certain time, such time shall be deemed to be of the essence.

12.12 Rules of Construction. This License shall be construed in accordance with the following: (a) when not inconsistent with the context, words used in the present tense include the future tense, words in the plural form include the singular form, and words in the singular form include the plural form; (b) the words "shall" and "will" are mandatory and the word "may" is permissive; (c) the word "including" is by way of example and not a limitation; (d) the provisions of this License shall be read as a whole so as to effect the purposes of this License; and (e) the Section and Paragraph headings contained in this License are used merely for convenience of reference and organizational purposes and shall not affect the interpretation of this License.

13. REPEAL

13.1 Repealer; Conflicts. The 1992 License and the settlement agreements and other documents listed on Schedule 3 attached hereto and made a part thereof are hereby repealed and terminated. In the event of any conflict or inconsistency between the provisions of this Ordinance and the provisions of any other ordinances, resolutions, settlement agreements or orders, the provisions of

this Ordinance shall govern and control in each such event, unless otherwise specified in this License.

Schedule 1 – The first periodic report shall provide the data and reports set forth in Schedule 1 attached hereto, and shall be provided by April 1 (“First Periodic Report”)

Schedule 2 - The second periodic report shall provide the data and reports set forth in Schedule 2 hereto and shall be provided to the City by October 1 (“Second Periodic Report”)

Schedule 3 –List of settlement agreements and other documents (in addition to the 1992 License) repealed and terminated by this Ordinance

Schedule 1 – First Periodic Report

1. A summary of continued funding for “Transmission and System Protection Upgrades” and “Distribution Capacity Upgrades” impacting the City and a summary of the distribution expenditures by category that are consistent with the 2021 annual report (pages 42 and 43). The expenditures will include the five years prior and the reporting year.
2. A summary of expenditures impacting the City for other distribution projects including special programs to address circuits with customers experiencing a high number of interruptions. The special program categories will be consistent with the 2021 annual report (page 41). The expenditures will be reported as a summary of financial expenditures for program work completed in the City by categories describing the type of work and will include the five years prior and the reporting year.
3. Reliability Statistical Assessment – An assessment on the year-end electric service performance for the City compared to the ComEd system. The assessment will include reliability charts for SAIFI and CAIDI.
4. Regulatory performance metrics #1 (System) and #2 (EIEC) under the Reliability and Resiliency category approved by the ICC and applicable to ComEd by system results and limiting those results to the City of Chicago customers. Year-end results will be issued after the ICC performance metric filing.
5. City and Ward Interruption Summary – A summary of the number of outages and customer interruptions for the reporting year for the City as a whole and for each Ward. The data is also shown as a summary of interruptions exceeding two hours and exceeding six hours.
6. Year-end electric service performance reliability charts for the City as a whole and for each ward of the City including the following information for the five immediately preceding reporting years:
 - a. SAIFI
 - b. SAIFI non-storm
 - c. SAIFI by cause
 - d. CAIDI
 - e. CAIDI non-storm
7. Ward Reliability Update – Electrical System Improvements designed to continue improving the reliability performance of the electrical system serving customers in the City of Chicago Wards. Data is provided by program, circuit, and ward for the reporting year and upcoming year.
8. Glossary of Terms – Definitions and/or information for terms listed to the extent that they appear in the Reliability portion of the Annual Report.

9. Chicago Ward Boundaries which include circuits serving each ward, the circuit customer count in the ward, and the North-South-East-West boundaries.

The following will be provided in a sortable format (i.e., Microsoft Excel, single table of data/flat file, etc.) with consistent headers and data labels across all provided documents.

10. Year-end electric reliability indices or metrics for each census block group within the City identifying the census block group number, if the census block is an EIEC or non-EIEC, if the census block is an EJ or non-EJ community, and if the census block group is R3 or non-R3 community. Reliability indices or metrics include the following:

- a. SAIDI
- b. SAIFI
- c. CAIDI
- d. CEMI4
- e. CEMI4R3
- f. CELID12
- g. CELI2R3
- h. Total customer interruptions
- i. Total customer minute interruptions
- j. Total customer served

11. Listing of circuits serving the City and the census block groups served by the circuit (in whole OR in part) including the customer count.

12. Listing of the five percent of all circuits serving the City with the highest achieved SAIFI (worst performing) in the prior reporting year. The list will include the year-end SAIFI performance for the reporting year and from the previous five years for those circuits.

13. Listing of the five percent of all circuits serving the City with the highest achieved SAIFI (worst performing) in the current reporting year. The list will include the year-end SAIFI performance for the reporting year and from the previous five years for those circuits.

14. Listing of the five percent of all circuits serving the City with the highest achieved SAIDI (worst performing) in the prior reporting year. The list will include the year-end SAIDI performance for the reporting year and from the previous five years for those circuits.

15. Listing of the five percent of all circuits serving the City with the highest achieved SAIDI (worst performing) in the current reporting year. The list will include the year-end SAIDI performance for the reporting year and from the previous five years for those circuits.

16. Electrical system improvements by circuit designed to continue improving the reliability performance of the circuit. Data is provided by program for the reporting year and upcoming year.

17. Listing of Interruption data affecting the City including the following information:

- a. Interruption reference identification number
- b. Start date and time of interruption
- c. Specific equipment involved in the interruption
- d. Interruption cause category (per 83 Ill. Admin. Code Part 411.Table A)
- e. Interruption code description (per 83 Ill. Admin. Code Part 411.Table A)
- f. Circuit lockout indicator
- g. Voltage of fault
- h. Sequential step restoration number
- i. Duration of the interruption (in minutes)
- j. Circuit(s) affected
- k. Total number of customers Affected
- l. City number of customers Affected
- m. Ward number of customers Affected

18. An interruption summary including the total number of interruptions, customer interruptions and customer minute interruptions for each interruption cause category

Definitions applicable to reporting associated with Schedules 1 and 2 only.

- “Interruption” or “Outage” and the calculations of reliability indices System Average Interruption Frequency Index or “SAIFI” and Customer Average Interruption Duration Index or “CAIDI” and the definition of an interruption will be based on the Illinois Commerce Commission (“ICC”) reporting requirement per 83 Ill. Admin. Code Part 411.20. System Average Interruption Duration Index or “SAIDI” is the product of “SAIFI” and “CAIDI” or SAIFIXCAIDI.
- CEMI4 or Customers Experiencing Multiple Interruptions is a measure based on the number of customers experiencing four or more interruptions in a calendar year. CEMI4R3 calculation will be based on the number of customers experiencing four or more interruptions per year for three consecutive years.
- CELID12 or Customers Experiencing Lengthy Interruption Duration is a measure based on the number of customers experiencing at least one 12-hour interruption in a calendar year. CELID12R3 calculation will be based on the number of customers experiencing at least one 12-hour interruption per year for three consecutive years.
- “EIEC”: Equity Investment Eligible Communities (as such term is defined in the Climate and Equitable Jobs Act, Illinois Public Act 102-0662). EIEC include Environmental Justice (“EJ”) communities and low-income communities eligible for grant funding (“R3”) in the City of Chicago. EJ communities are those census block groups in ComEd’s service territory that fell within the top 25 scores across Illinois and

qualified for incentives and benefits. R3 communities are those census tracts within ComEd's service territory that are eligible for grant funding. To ensure consistency throughout a 10-year period, this metric will measure ComEd's performance annually in those EJ and R3 communities, or EIEC, using the data extracted from the Illinois "Solar for All" website (<https://www.illinoisfa.com/environmental-justice-communities/>) and the R3 website (r3.illinois.gov), as of October 2022.

Schedule 2 – Second Periodic Report

1. A sub-part of the ICC-filed prior reporting year's 1% worst performing circuits and customer target reports impacting City customers. (This data focuses on those distribution circuits that have greatest impact on pocket reliability performance and on customers exceeding the service reliability targets as set forth in Sections __ of the Illinois Administrative Code.)
2. Year-end electric service performance reliability charts for the City as a whole and for each ward of the City including the following information for the five immediately preceding reporting years:
 - a. SAIFI
 - b. SAIFI non-storm
 - c. SAIFI by cause
 - d. CAIDI
 - e. CAIDI non-storm

The following will be provided in a sortable format (i.e., Excel, single table of data) with consistent headers and data labels should be used across all provided documents.

3. Listing of the five percent of all circuits serving the City with the highest achieved SAIFI (worst performing) in the prior reporting year. The list will include the year-to-date SAIFI performance for the reporting year and from the previous five years for those circuits.
4. Listing of the five percent of all circuits serving the City with the highest achieved SAIDI (worst performing) in the prior reporting year. The list will include the year-to-date SAIDI performance for the reporting year and from the previous five years for those circuits.

Schedule 3 – List of Agreements

1. The Supplemental Agreement Between the City of Chicago and Commonwealth Edison Company attached to the 1992 License, adopted December 11, 1991 and effective January 1, 1992, as amended.
2. A Settlement Agreement executed by the City of Chicago and Commonwealth Edison Company on May 18, 1999 (the "1999 Settlement Agreement" for purposes of this Schedule).
3. Amendments to the 1999 Settlement Agreement authorized by the City Council of the City of Chicago on January 16, 2002 and dated July 2002.
4. Second Amendment to the 1999 Settlement Agreement dated February 20, 2003.
5. Settlement Agreement entered into and made effective as of December 21, 2007 by and between the City of Chicago and Commonwealth Edison Company, including a 2007 Project Deferral and Substitution Agreement made as of December 21, 1007 by and between The City of Chicago and Commonwealth Edison Company.