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Commercial Operation of the Selected Project, the OREC price will be adjusted, or the project will be otherwise compensated, on terms established in the amendment to this Agreement negotiated pursuant to Section 5.06(b).

Section 5.07. Qualifying Federal Support.

~~(e)~~(a) In the event that Seller or any of its Affiliates receives Qualifying Federal Support, Seller shall determine the QFS Amount and provide notice of the same to NYSERDA, including supporting calculations thereto. Seller shall also make available or cause to be made available to NYSERDA all books and records in its control that are reasonably necessary to determine the QFS Amount and shall use commercially reasonable efforts to provide NYSERDA with any other books and records reasonably requested by NYSERDA. Such books and records shall include all tax and other filings made with respect to obtaining any of the Renewable Tax Benefits that Seller or any tax equity party is claiming or proposing to claim as well as all work papers and other due diligence and compliance records, files and data related to the qualification for the Renewable Tax Benefits to which Seller has in its possession or reasonably has access.

~~(f)~~(b) Except with respect to transaction costs and expenses incurred by Seller or its Affiliates in connection with obtaining Qualifying Federal Support, which shall be for Seller's account, the QFS Amount shall be calculated on a net basis, taking into account any reduction in current or future economic value or costs incurred as a result of Seller's or its Affiliates' realization of the applicable Qualifying Federal Support. For example, the Parties acknowledge and agree that, in order to qualify for a higher level of Qualifying Federal Support, Seller or its Affiliates may be required to incur increased costs related to development, construction or operation of the Selected Project including costs related to new U.S. content or similar sourcing requirements, prevailing wage requirements or apprenticeship requirements. For the avoidance of doubt, if Seller or its Affiliates incur such increased costs for the purpose of qualifying for such higher level of support, the Qualifying Federal Support Amount shall be reasonably adjusted by Seller to reflect the total economic value of the Qualifying Federal Support after accounting for such increased costs.

If applicable, the QFS Price Reduction shall be applied prospectively from the beginning of the Contract Year immediately following the date that the economic value of the Qualifying Federal Support benefit is realized, computed in accordance with the following formula:

$$\text{QFS Price Reduction} = \frac{\text{QFS Amount (\$)} \times 0.75 \times \text{RF}}{\text{P50 Annual OREC Exceedance}}$$

provided that with respect to Qualifying Federal Support that arises from Section 45(b)(9), Section 45(b)(11), Section 48(a)(12) or Section 48(a)(14) of the Internal Revenue Code in existence on the Bid Submission Date and is realized other than through, for domestic content requirements, a waiver process as described in 49 C.F.R. § 661.7 (or similar process) offered by the U.S. Department of Treasury, the Internal Revenue Service or other federal authority under which the steel, iron, or manufactured products of the Selected Project were not produced in the United States and did not meet the requirements of 49 C.F.R. § 661.5(b)-(d), or for energy communities, a waiver or exception process, 0.75 will be replaced with 0.50; and provided further that the QFS Price

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Reduction attributable to Qualifying Federal Support for the Energy Storage Component shall in no case be greater than the Energy Storage Component Price Reduction Amount].

where:

RF = Recovery Factor determined in accordance with the following table, in which the Annuitization Term shall equal the number of full Contract Years remaining in the Contract Delivery Term:

Table Q.1 - Data Sources

Commodity or Component	Units, Frequency	Data Source
Labor	Unitless index, quarterly	U.S. BLS, Employment Cost Trends, Data Series CIU2020000000000I, Wages and salaries for Private industry workers in All industries and occupations, Index, not seasonally adjusted
Fabrication and machinery materials	Unitless index, monthly	U.S. BLS, PPI, Data Series PCU811310811310, Commercial machinery repair and maintenance
Steel	Unitless index, monthly	U.S. BLS PPI, Data Series PCU331110331110, Iron and steel mills and ferroalloy mfg, not seasonally adjusted
New York Harbor Ultra-Low Sulfur No 2 Diesel (ULSD) Spot Price	\$/gal, daily	U.S. Energy Information Administration, Petroleum & Other Liquids Data https://www.eia.gov/dnav/pet/PET_PRI_SPT_S1_D.htm , daily price for last trading day of the month
Copper	Cents per lb, daily	COMEX, spot price on last trading day of month for prompt month

For each commodity or component, ~~IndexB is~~ [the value for IndexB is set forth in Table Q.2 below. These values were established based on](#) the simple average of the six months or two quarters of published data available prior to the Bid Submission Date. ~~The values for IndexB are set forth in Table Q.2 below.~~

Table Q.2 - IndexB Values

IndexB,Labor	_____ 155.090
IndexB,Fabrication	_____ 173.244
IndexB,Steel	_____ 332.072
IndexB,ULSD	_____ 3.799
IndexB,Copper	_____ 355.975

The values for IndexT for each commodity or component will be calculated as the average of the monthly or quarterly values for the three months prior to and following the Selected Project receiving approval of its COP from BOEM.

Any published value for IndexT that is considered by the US BLS as “preliminary” for up to four months after publication will be updated and the IndexT value will be recalculated if the final published value differs from a preliminary value.]