**From:** Keith Sappenfield, Cheniere
**Sent:** Friday, August 13, 2021 12:09 PM
**Subject:** Comments on REC Base Contract and FAQs

Dear Dick, Mary et al:

I attach the proposed REC Base Contract and FAQs with my suggested edits and comments.  My suggested edits and comments include:

1. Renaming “Base Contract” to “REC Base Contract” through out the REC Base Contract to be consistent with the subcommittee’s discussion on August 3, 2021 and the FAQ updates.
2. REC Base Contract:
	1. Reorganization of page 2 of 15 to delete extraneous spaces;
	2. Section 1.1 – correct reference for definition of Contract from 2.13 to 2.14;
	3. Section 4.3 – last sentence:  appears that **Seller** at end of sentence should be **Buyer;**
	4. Section 5.0 – Second sentence should rewritten to eliminate possible dual responsibility for taxes at Delivery, otherwise first sentence with tax responsibly “prior to and including Delivery” e.g. at Delivery would mean dual responsibility with Buyer “at or” Delivery in second sentence;
	5. Section 6.7 – correct reference from 6.8 to 6.7 on second line;
	6. Section 7.1 – revised 3rd sentence to clarify when liability is transferred from Seller to Buyer.  This is similar to transfer of tax responsibilities under Section 5;
	7. Section 14.13 – correct punctuation for section a), b), c) and d);
	8. Exhibit B – second line remove bold of year the Transaction Confirmation Date; and
	9. Through out REC Base Contract I also performed minor editing related to insertion of commas, addition of spaces between sentences, deleted double spaces between words, and corrected tabs.
3. FAQs:
	1. Q 4 and Q5 – Added phrase “General Terms and Conditions of the” to clarify that only in case where a party modifies the REC Base Contract’s General Terms and Conditions should the watermark be removed.  A party can modify the General Terms and Conditions without removing the watermark, if, and only if, such modification is accomplished using Special Provisions to the Base Contract or Special Conditions to the Transaction Confirmation;
	2. Q14 – suggested clarification on Exhibit A Confirmation and Exhibit B Attestation;
	3. Q15 – suggested clarifying phrase “legal or regulatory” prior to concepts; and
	4. There are several instances of minor edits related to related to insertion of commas, addition of spaces between sentences, deleted double spaces between words, and corrected tabs.

I am available to discuss my suggested edits and comments at your convenience.

Thanks

Keith

**Keith M. Sappenfield, II**

**Manager, Regulatory Project Strategy**

**Cheniere Energy, Inc**.

700 Milam, Suite 1900

Houston, TX 77002