November 12, 2015

SPECIFIED STATE AGENCIES AND ELECTRIC DISTRIBUTION COMPANIES IN CONNECTICUT, MASSACHUSETTS AND RHODE ISLAND

NOTICE OF REQUEST FOR PROPOSALS FROM PRIVATE DEVELOPERS FOR CLEAN ENERGY AND TRANSMISSION

IMPLEMENTATION OF CERTAIN PROCUREMENT STATUTES

INTRODUCTION

Pursuant to the clean energy goals of the States of Connecticut, Rhode Island, and the Commonwealth of Massachusetts (collectively the "Procuring States"), this Request for Proposals ("RFP") is soliciting offers for clean energy and transmission to deliver clean energy. The solicitation is conducted in accordance with and in fulfillment of certain legal requirements in the three states. The Soliciting Parties, as defined below, seek to identify projects that may enable parties in each state to achieve their respective state's clean energy goals more cost effectively than if each state were to proceed unilaterally while also complying with the applicable legal requirements of each state.

Accordingly, the Commissioner of the Connecticut Department of Energy and Environmental Protection ("CT DEEP") provides this RFP regarding the acceptance of proposals from developers pursuant to Sections 6 and 7 of Connecticut Public Act 13-303, *An Act Concerning Connecticut's Clean Energy Goals*(as amended by Sections 32 and 33 of Public Act 14-94, *An Act Concerning Connecticut's Recycling and Materials Management Strategy, The Underground Damage Prevention Program and Revisions to Energy and Environmental Statutes*), and Section 1(c) of Public Act 15-107, *An Act Concerning Affordable and Reliable Energy* as well as the Commissioner's authority under Connecticut General Statutes Section 16a-14. In addition, Fitchburg Gas and Electric Light Company, d/b/a Unitil, Massachusetts Electric Company and Nantucket Electric Company, d/b/a National Grid, and NSTAR Electric Company and Western

Massachusetts Electric Company d/b/a Eversource Energy (collectively, "Massachusetts EDCs") provide this RFP regarding the acceptance of proposals from developers pursuant to Section 83A of the Green Communities Act as added by chapter 209 of the Acts of 2012, An Act relative to competitively priced electricity in the Commonwealth ("Section 83A"). Further, The Narragansett Electric Company, d/b/a National Grid ("Narragansett"), provides this RFP regarding acceptance of proposals from developers pursuant to Chapter 31 of Title 39 of the General Laws of Rhode Island, the Affordable Clean Energy Security Act ("Chapter 39-31") (collectively, the "Procurement Statutes"). CT DEEP, the Massachusetts EDCs and Narragansett shall collectively be referred to herein as the "Soliciting Parties."

I. OVERVIEW

1.1 BACKGROUND, PURPOSE AND ORGANIZATIONAL STRUCTURE

Pursuant to the clean energy goals of the Procuring States, this RFP is soliciting offers for clean energy and for transmission to allow for the delivery of clean energy to the Procuring States. The essential purpose of this three-state procurement is for parties in each state to identify any projects that offer the potential for the Procuring States to meet their clean energy goals in a cost-effective manner consistent with their Procurement Statutes. Soliciting Parties in the three states have decided to act jointly to open the possibility of procuring large-scale projects that no state could procure if it acted unilaterally. Although the three-state process opens up the possibility of large-scale projects, parties in each state will select the project(s) that is/are most beneficial to its customers and consistent with its particular Procurement Statutes. Consequently, evaluation and selection will involve an iterative process by which, after an initial threshold examination followed by a quantitative analysis of the bids, the parties from each state will review and rank bids based on the qualitative requirements of their respective state. Then the parties from all three of the Procuring States will collaborate to determine whether together they can create a portfolio of projects that would reduce the cost to customers in each of the three states and still comply with each state's requirements and clean energy goals.

The Procurement Statutes are described in Appendix F to this RFP. Prospective bidders are expected to thoroughly review the Procurement Statutes to have a full understanding of the purpose and goals of this solicitation for each of the Procuring States.

Please note that although some of the Procurement Statutes address only generation, this solicitation also invites bids for transmission projects that would deliver Incremental Qualified Clean Energy. This is in recognition of the fact that Transmission Projects may offer the potential to deliver Incremental Qualified Clean Energy to the Procuring States, and that some of the generation projects that submit bids may require new transmission to deliver their output.

The organizational structure for this RFP is as follows:

The "Evaluation Team" will receive the bids including confidential materials and conduct evaluation and rank bids and will also engage an independent consultant ("Evaluation Team Consultant") who will be an integral part of the Evaluation Team to assist in the evaluation. The Evaluation Team consists of entities listed in the Introduction to this RFP, as well as The Connecticut Light & Power Company ("CL&P"), The United Illuminating Company ("UI"), the Connecticut Procurement Manager[1], the Connecticut Office of Consumer Counsel, the Connecticut Office of the Attorney General, and the Massachusetts Department of Energy Resources ("DOER"). All bid evaluation for Connecticut will be conducted by CT DEEP, in consultation with the Connecticut Office of Consumer Counsel, Connecticut Office of Attorney General, Connecticut Procurement Manager, and the Connecticut EDCs, with the assistance of a separate consultant engaged by CT DEEP (the "CT Consultant"). The CT Consultant will act independently of the EDCs and the Evaluation Team Consultant to assist the CT DEEP in reviewing and analyzing any modeling performed by the Evaluation Team Consultant retained by the Evaluation Team. In Rhode Island, consistent with Chapter 39-31 and the Rules and Regulations Governing Long-term Contracting Standards for Renewable Energy, Narragansett, in consultation and coordination with the Rhode Island Division of Public Utilities and Carriers and the Rhode Island Office of Energy Resources, will evaluate bids. The Evaluation Team Consultant will be responsible to the entire Evaluation Team in reporting methodologies and findings.

The electric distribution companies that are a part of the Evaluation Team ("EDCs") have all executed the Standard of Conduct document attached as Appendix H to this RFP. The Standard of Conduct prohibits any discussion of this RFP between EDC personnel participating on the Evaluation Team and EDC personnel involved in the preparation of bids in response to this RFP, other than as part of discussions that are conducted as part of the RFP process (e.g. bidder conferences or formal bidder Q&A).

The "Selection Team" will consider the evaluation results and project rankings to determine projects for selection. In Massachusetts the Selection Team consists of the EDCs, however, the DOER shall be an advisory participant to MA EDCs. In Connecticut, the selection team is the CT DEEP acting in consultation with the Connecticut Procurement Manager, the Connecticut Office of Consumer Counsel, and the Connecticut Office of the Attorney General. The Selection Team may consult with the Evaluation Team. Narragansett will select projects in consultation and coordination with the Division of Public Utilities and Carriers and Office of Energy Resources and subject to review and approval by the Rhode Island Public Utilities Commission.

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[1] As identified in subsection (i) of section 16-2 of the Connecticut General Statutes

The EDCs will be responsible for negotiation and execution of any final Power Purchase Agreement ("PPA"). The EDCs may make certain filings and conduct other regulatory compliance activities connected with this solicitation. With respect to the MA EDCs, DOER will have the opportunity to monitor contract negotiations between the EDCs and selected bidders. With respect to the Connecticut EDCs, DEEP will monitor contract negotiations between the EDCs and selected bidders. With respect to Narragansett, the Rhode Island Division of Public Utilities and Carriers and Rhode Island Office of Energy Resources will have the opportunity monitor contract negotiations between Narragansett and selected bidders. However, in addition to and separately from these, bidders may be also subject to certain filing requirements and other regulatory obligations pursuant to the arrangements and/or transactions they may enter into pursuant to this solicitation and the activities arising therefrom. Bidders will be responsible for identifying and satisfying such requirements and obligations applicable to them.

Staff of the New England States Committee on Electricity ("NESCOE") are neither one of the Soliciting Parties nor a member of any of the aforementioned teams. NESCOE assisted the Soliciting Parties in the development of the RFP as a facilitator; NESCOE staff will not take receipt of submitted bid packages or make project selections under this RFP. Given the New England states' continuing interest in various infrastructure investments that would alleviate constraints in the region's natural gas infrastructure and improve power system reliability and economic competitiveness, and further environmental objectives it is possible that, following the evaluation of bids received, the Soliciting Parties may invite certain bidders to consider sharing their submitted bids with NESCOE and relevant representatives of non-procuring New England states.[2]

1.2 CALL FOR PROPOSALS

The Soliciting Parties are seeking proposals from qualified renewable and/or qualified large-scale hydropower resources (Qualified Clean Energy, defined in Section 1.2.1), and/or from developers of Transmission Projects to provide for the Delivery (each as defined in Section 1.2.1) of Incremental Qualified Clean Energy to the New England system.

If a bidder of Incremental Qualified Clean Energy offers the same such energy in more than one proposal (e.g., teamed with a new Transmission Project required for Delivery in one proposal, and teamed with an alternative new Transmission Project in another proposal), then the bidder must note such multiple submissions in each of its affected proposals in order to ensure no more than one is selected. Likewise, notice must be provided by a bidder of a Transmission Project or upgrade supporting the Delivery of energy in more than one proposal, but not able to

[2] The appropriate terms to protect and limit disclosure of confidential information would be subject to negotiation with NESCOE staff and/or any representatives of non-procuring states.

support all proposals if accepted. In order to accommodate combination bids, it is acceptable to submit negative contingent bids (e.g., Bid A cannot be accepted with Bid B).

Individual Projects may be combined to form one bid; however, positive contingent bids (e.g. Bid A cannot be accepted unless Bid B is also accepted) are not allowed.

Any resulting contracts must be finalized between one or more EDCs and the successful bidders based on the offers submitted in response to this RFP. This RFP process, including any selection of preferred projects, does not obligate any EDC to accept any bid or any state or federal regulatory authority to approve any proposed power purchase agreement ("PPA") or transmission tariff or rate schedule or GWh level procured. Any PPAs, tariffs or rate schedules entered into following this RFP process are subject to any applicable state and federal laws and regulatory approvals. In the case of federal transmission rates and tariffs, such charges are subject to the review and acceptance by the Federal Energy Regulatory Commission ("FERC") pursuant to the provisions of the Federal Power Act.

1.2.1 DEFINITION OF KEY TERMS

"Delivery", "Deliver", or "Delivered" means that Qualified Clean Energy is recognized in the ISO New England ("ISO-NE") settlement system as: i) injected in the ISO-NE energy market at a specified and agreed upon pricing node (e.g., the generator asset node applicable to an internal resource or the external interface node applicable to an import), and ii) injected under any additional agreed upon conditions intended to reflect and realize a generally unconstrained/uncongested delivery of the Qualified Clean Energy.

"Incremental Qualified Clean Energy" means whether resulting from an Eligible Facility or a new Transmission Project, an increase in the amount of Qualified Clean Energy delivered in or to New England, whether associated with (i) the construction of a new generating unit, (ii) the construction of an upgrade to an existing generating unit, (iii) an increase (as compared to the 3 year historical average and/or expected system conditions) in the capacity factor/dispatch ability of an existing generating unit, and/or (iv) an increase (as compared to the 3 year

historical average and/or expected system conditions) in imports into New England from an external control area.[3]

"Qualified Clean Energy Delivery Commitment" means that a specified amount of Qualified Clean Energy must be Delivered or there will be a credit due to the EDCs which will be passed through to the EDC's transmission customers pursuant to a Performance-Based Tariff.

"Performance-Based Tariff" means a FERC-accepted Rate Schedule or Tariff and Service Agreement for a Transmission Project with payments reduced for failure to meet the Qualified Clean Energy Delivery Commitment.

"Qualified Clean Energy" means (i) energy produced by a generating resource qualified to produce Class I[4] or New[5] (collectively, "Tier 1") Renewable Energy Credits ("RECs") under the Renewable Portfolio Standard ("RPS") statutes of at least one of the Procuring States ("Tier 1 Qualified Energy"[6]), or (ii) energy produced by a generating resource that meets the

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[3] For purposes of clarification the Commercial Operation Date for Connecticut Class I as specified in the definition of Qualified Clean Energy, Connecticut will not consider bids for Class I resources with a Commercial Operation Date prior to July 1, 2016 that are associated with an increase in imports into New England from an external control area. Connecticut will consider bids for incremental large-scale hydropower resources over new and/or existing transmission lines if the Commercial Operation date for such resources is on or after January 1, 2003 but no later than December 31, 2020. See definition of Qualified Clean Energy.

[4] See M.G.L.c.25A § 11F(c), Conn. Gen. Stat. § 16-1(20). Class I generating resources must have a Commercial Operation date on or after January 1 2013 for Massachusetts pursuant to Section 83A. For Connecticut, Class I resources must have a Commercial Operation date on or after July 1, 2016 but no later than December 31, 2020; balancing resources eligible under Public Act 15-107 can be existing but must be newly Delivered into New England or be Delivered utilizing part of a Transmission Project.

[5] R.I. G.L. § 39-26-2(15)

requirements of (i) except that it is located in a non-contiguous control area, or (iii) energy produced by a hydropower resource (for CT a resource that meets the requirements of Conn. Gen. Stat. § 16-1(47) and for RI a resource that meets the requirements of Chapter 39-31 of the General Laws of Rhode Island, for MA a resource with a capacity greater than 30 MW) ("Hydropower Resource")[7] In Connecticut, up to 2750 GWh per year (quantity under P.A. 15-107) of Class I resources can be balanced by Class II resources as defined in Conn. Gen. Stat. section 16-1 and/or hydropower resources other than resources defined in 16-1(47) provided that (1) (a) the maximum combined delivery of such resources under a PPA does not exceed the nameplate capacity of the Class I resources being balanced or (b) under a delivery commitment as set forth in Section 2.2.3.3 of this RFP the delivery of the balancing resource does not exceed the Class I resources being delivered and (2) under either a PPA or delivery commitment, the delivery of the balancing energy is to the same Delivery Point as the delivery of the Class I energy being balanced in the bid and (3) must be included in the same bid as the Class I resource being balanced.

"Rate Schedule" has the meaning provided in 18 CFR §35.2(b).

"Service Agreement" has the meaning provided in 18 CFR §35.2(c)(2).

"Tariff" has the meaning provided in 18 CFR §35.2(c)(1).

"Transmission Project" means significant new AC or DC lines or facilities, or significant upgrades to existing lines or facilities, including network upgrades required by ISO-NE to accommodate

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[6] In Connecticut, new energy storage systems will also be considered collectively as Tier I Qualified Energy, provided that such energy storage systems meet the definition of Section 2 of Connecticut Public Act 15-107, have an in-service date on or after July 1, 2016 and no later than December 31, 2020, and are paired with Tier 1 Qualified Energy sources and function to reduce, in whole or in part the intermittency of the Class I renewable energy source with which it is paired. "Paired with Tier I Qualified Energy" means co-located and only storing energy produced by the Class I renewable energy source and delivering such stored energy to the energy grid at a later time. If an energy storage system qualifies for ISO-NE markets other than the energy and REC markets e.g. ancillary services, there are no restrictions on doing so. However, such other market services are not being purchased in the Clean Energy RFP and will not be directly evaluated as part of the quantitative evaluation process (though the physical capability to provide such services may be evaluated as part of the qualitative criteria discussed below).

[7] See Conn. Gen. Stat. § 16-1(47) (large-scale hydropower eligible under Section 7 of Public Act 13-303 must have a commercial operation date on or after January 1, 2003, but must begin deliveries on or after July 1, 2016 but no later than December 31, 2020); R.I. G.L. §39-31-5.

such new or upgraded facilities. A "Transmission Project" excludes local generator interconnection facilities.

1.2.2 BID CATEGORIES

Subsections 1.2.2.1 through 1.2.2.3 below describe the three categories of bids that the Soliciting Parties are seeking. Bids with a transmission component must provide for Qualified Clean Energy and/or RECs as part of a PPA (Category 1.2.2.2), or a Qualified Clean Energy Delivery Commitment (Category 1.2.2.3), or a combination of both.

Bids may include multiple categories in a single bid (e.g., a bid including a Transmission Project can be comprised of a sale of "Qualified Clean Energy and/or RECs via PPA" portion with a "Transmission Project under a FERC Tariff" portion for part of the Transmission Project's capacity and "Qualified Clean Energy via Transmission Project Under a Performance-Based Tariff Containing a Qualified Clean Energy Delivery Commitment" portion for another part of the Transmission Project's capacity).

1.2.2.1 QUALIFIED CLEAN ENERGY AND/OR RECS VIA PPA

This category of bids includes the following products: (i) Qualified Clean Energy only; (ii) RECs only; and (iii) Qualified Clean Energy and associated RECs. Bids in this category must be for or, in the case of RECs, associated with, Incremental Qualified Clean Energy from Eligible Facilities producing Qualified Clean Energy that satisfies that applicable state's Procurement Statute. The Incremental Qualified Clean Energy must be Delivered to the EDCs throughout the term of the commitment. For proposals in this category the purchase and sale of Qualified Clean Energy and/or RECs would take place under a long-term PPA and would only be for Qualified Clean Energy and/or RECs satisfying the applicable Procurement Statute. Narragansett does not intend to procure any energy or RECS under a PPA pursuant to Chapter 39-31 and is only seeking bids for Qualified Clean Energy via Transmission Project Under a Performance-Based Tariff Containing a Qualified Clean Energy Delivery Commitment (described in Section 1.2.2.3 below).

1.2.2.2 QUALIFIED CLEAN ENERGY AND/OR RECS VIA PPA WITH A TRANSMISSION PROJECT UNDER FERC TARIFF

This category of bids is the same as 1.2.2.1 above, but includes a separate Transmission Project component under a FERC-filed tariff. For example, one or more developers of Qualified Clean Energy generation and a developer of a Transmission Project can jointly offer a combined bid that includes the purchase and sale of Incremental Qualified Clean Energy under one or more PPAs, and a Transmission Project necessary to Deliver such Qualified Clean Energy. Under this bid category, it is intended that any required Transmission Project to Deliver the Qualified Clean

Energy, other than direct interconnection facilities, be priced separately within the proposals and with recovery of associated costs expected to be recovered through a FERC-filed tariff. Under such a proposal, the Transmission Project developer would be responsible for any FERC tariff and rate filings related to the Transmission Project. As stated above, Narragansett does not intend to procure any energy or RECS under a PPA pursuant to Chapter 39-31.

1.2.2.3 QUALIFIED CLEAN ENERGY VIA TRANSMISSION PROJECT UNDER A PERFORMANCE-BASED TARIFF CONTAINING A QUALIFIED CLEAN ENERGY DELIVERY COMMITMENT; NO PPA

This category of bids includes a Transmission Project without an associated PPA. Instead of the EDCs purchasing Qualified Clean Energy via PPAs, the Transmission Project provider would commit to a Performance-Based Tariff containing a Qualified Clean Energy Delivery Commitment. The Incremental Qualified Clean Energy provided under this category does not necessarily need to satisfy an existing Procurement Statute. An explanation with additional details of the model for this category of bids is provided in Appendix E.

1.2.3 ELIGIBLE PROJECTS

Eligible Projects are either Eligible Facilities (described in Section 1.2.4) or Transmission Projects providing for the Delivery of Qualified Clean Energy from Eligible Facilities.

1.2.4 ELIGIBLE FACILITY

An Eligible Facility must satisfy the criteria in the Procurement Statutes of one of the three Procuring States. The Evaluation Team will consider bids for other types and quantities of Qualified Clean Energy if submitted in the form of Qualified Clean Energy Via Transmission Under a Performance-Based Tariff Containing a Qualified Clean Energy Delivery Commitment under Section 1.2.2.3.

1.2.5 QUANTITIES AND CONTRACT TERM LENGTHS

Pursuant to the Procurement Statutes, the current approximate authorized procurement levels for Qualified Clean Energy and/or RECs is:

Connecticut:

2750 GWh per year of Qualified Clean Energy under Section 1(c) of Public Act 15-107[8]

1375 GWh per year of Qualified Clean Energy under Section 7 of Public Act 13-303; and

125 GWh per year of Class I Qualified Clean Energy under Section 6 of Public Act 13-303

Massachusetts:

817 GWh per year of Class I Qualified Clean Energy under Section 83(a)

Rhode Island:

No specific procurement quantity is specified under Chapter 39-31.

The Soliciting Parties are also interested in receiving bids for Qualified Clean Energy in excess of these amounts or that do not qualify under the specified state statutes, so long as those bids are in the form of Qualified Clean Energy Via Transmission Under a Performance-Based Tariff Containing a Qualified Clean Energy Delivery Commitment. As stated above, Narragansett is seeking only this category of bids under Chapter 39-31.

The contract term lengths for the procurement of Qualified Clean Energy and/or RECs provided for under the Procurement Statutes vary by state. The table below sets forth the statutory contract term lengths:

[8] In determining the quantity of Qualified Clean Energy pursuant to P.A. 15-107, the costs and benefits of bids received will be compared to the expected or actual costs and benefits of other resources eligible to bid in other potential procurements authorized pursuant P.A. 15-107. Connecticut DEEP intends to conduct one or more additional solicitations pursuant to P.A. 15-107 resources eligible under sections 1(b) and (d) of that statute. The 2750 GWh is the maximum amount that the selection team can procure under all solicitations pursuant to sections 1(b) and 1(c) of P.A. 15-107. The Connecticut Selection Team, with the help of its consultant, may develop proxy bids for the other resources.

	Tier 1 Renewables	Hydropower
Connecticut	Up to 20 years	Under P.A. 13-303 15 years Under P.A. 15-107 20 years[9]
Massachusetts	10-20 years	N/A
Rhode Island	Not specified in statute	Not specified in statute

Qualified Clean Energy Via Transmission Under a Performance-Based Tariff Containing a Qualified Clean Energy Delivery Commitment that do not qualify under the specified state statutes should include a proposed term length for the EDC commitments thereunder.

1.3 FILING PROTOCOL AND COMMUNICATIONS BETWEEN THE EVALUATION TEAM AND BIDDERS

This RFP and related information can be found under www.cleanenergyRFP.com.

All communications with the Evaluation Team pertaining to this RFP must be submitted via e-mail with the subject line "Regional RFP Procurement" to the Evaluation Team at cleanenergyRFP@gmail.com. Bidders are prohibited from direct contact with individual members of the Evaluation Team or the Evaluation Team's consultant(s) regarding this RFP (other than as directed by the Evaluation Team). Note that staff of the EDCs who are participating in the solicitation and evaluation of bids under this RFP are bound by a Utility Standard of Conduct, which, among other things, prohibits signatory staff from communicating

[9] The Connecticut Selection Team will determine pursuant to which statute a bid is selected. To the extent a bid is for 20 years, the bidder should indicate whether the bid is the same price for 15 years. If the bidder wishes to offer a different price for a 15 year contract, the bidder must comply with the additional pricing bid fees in compliance with Section 1.6 of this RFP.

any non-public information regarding this RFP with any other utility staff who may be developing or submitting a bid responsive to this RFP.[10]

Prospective bidders may submit written questions to the Evaluation Team pertaining to the solicitation. The Evaluation Team is under no obligation to answer any question submitted after the deadline provided in the schedule set forth in Section 3.1 of this RFP (the "Schedule"). The Evaluation Team will endeavor to publish written responses to questions on a rolling basis, but will not post any responses after the deadline provided in the Schedule. All questions must be submitted to the Evaluation Team at: cleanenergyRFP@gmail.com no later than 12/29/15. All Evaluation Team responses to the questions will be published on the Evaluation Team's website for all participants to view no later than 01/14/16.

Proposals shall demonstrate how the bidder and proposed project(s) meet the project eligibility and threshold requirements set forth in this RFP. The Schedule for the competitive solicitation issued in this RFP is set forth below.

1.3.1 PROPOSAL SUBMISSION DEADLINE: 01/28/16 at 12:00 P.M. E.P.T. (noon).

Proposals received by the Evaluation Team after the deadline will be rejected.

1.3.2 SUBMISSION REQUIREMENTS

Bidders must submit 17 separate CD ROM copies of a public version of each proposal (discussed in 1.3.2.1), and shall also submit 17 separate CD ROM copies of an un-redacted confidential version (discussed in 1.3.2.2) to the company contacts in Appendix I. The public version may be redacted to remove information that qualifies for confidential treatment pursuant to the state requirements described in Appendix G. Each proposal shall contain the full name and business address of the bidder and bidder's contact person and shall be signed by an authorized officer or duly authorized representative of the bidder. Bidders must sign the original proposal and include copies of the signature page with the bids. The full name and business address of the bidder must be included in the public version of the proposal(s).

1.3.2.1 PUBLIC VERSIONS OF PROPOSALS

Each proposal must be submitted publicly, with confidential material redacted at the bidder's option, to the Evaluation Team. This public version will be posted on the public website www.cleanenergyrfp.com shortly after the bid submittal deadline. The CD title should include the words "Public Version" to alert the Evaluation Team that the version will be publicly posted. The public proposals must be complete in all respects other than the redaction of confidential information. Complete proposals must include a properly completed Certification, Project and Pricing Data ("CPPD") Form, although at the bidder's option the CPPD submitted as part of the

[10] See "Utility Standard of Conduct, available at Appendix H.

public version may be a PDF instead of a working Excel file if the bidder submits the un-redacted CPPD form as a working Excel file with the confidential version of the proposal. If there is conflicting information between the information in the CPPD and information in other forms, then the information in the CPPD will be used in the evaluation. Information elsewhere in the bid cannot be used to modify or qualify any information in the CPPD.

The Evaluation Team will not redact the public versions of proposals. Anything submitted in the public version will be made AVAILABLE TO THE PUBLIC.

1.3.2.2 CONFIDENTIAL VERSIONS OF PROPOSALS

If a bidder elects to redact any confidential business information in the public version of its proposal(s), it must also submit an un-redacted, complete version of the proposal(s). The confidential versions of proposals must include the CPPD forms as a working Excel file, with all required information included. The confidential versions of proposals will be treated as confidential and sensitive information by the Evaluation Team, subject to the treatment of confidential information discussed in Section 1.3.3 below, which can vary by state.

1.3.3 CONFIDENTIAL INFORMATION

Bidders must clearly identify all confidential or proprietary information including pricing. Only legitimate non-public proprietary or sensitive information may be considered confidential, and bidders should not designate any portions of their proposal confidential that do not merit confidential treatment. The Evaluation Team shall use commercially reasonable efforts to treat the confidential information that it receives from bidders in a confidential manner and will not use such information for any purpose other than in connection with this RFP.[11] The Evaluation Team expects to disclose bid information to the Evaluation Team Consultants and to ISO-NE staff as part of the bid evaluation process. In addition, the Bidder authorizes ISO-NE to share any information regarding its project, including but not limited to the results of any interconnection studies performed by the ISO with the Evaluation Team which information also

[11] As it has done with previous RFPs, CT DEEP intends to disclose certain bid information in its final determination once contract negotiations are completed and a filing is made with PURA for review and approval. At this time, DEEP anticipates such disclosure will include some information attributed to named projects responsive to the CT portion of the RFP: specifically, the qualitative and quantitative score and threshold eligibility determinations attributed to specific projects responsive to the CT portion of this RFP, and pricing data for winning bids. DEEP may also disclose aggregate or average pricing data for all bids responsive to the CT portion of the RFP but without attribution to specific projects.

will be treated as confidential. The Bidder shall provide written confirmation of its consent for the sharing of this information as the Evaluation Team may request. Depending upon the evaluation of bids received, however, the Evaluation Team may seek permission from bidders to share bids with other individuals or entities. In all such cases, the Evaluation Team would work with bidders on developing appropriate means to protect and limit disclosure of confidential information. If confidential information is sought in any regulatory or judicial inquiry or proceeding or pursuant to a request for information by a government agency with supervisory authority over any of the EDCs, reasonable steps shall be taken to limit disclosure and use of said confidential information through the use of non-disclosure agreements or requests for orders seeking protective treatment, and bidders shall be informed that the confidential information is being sought. The bidder shall be responsible for filing, submitting, and/or providing to the EDCs for such filing or submission, any motions or other pleadings (including associated affidavits, etc.) for protective orders or other relief to justify withholding the confidential information.

Similarly, bidders shall use commercially reasonable efforts to treat all confidential information received from the Evaluation Team or individual entities serving on the Evaluation Team in a confidential manner and will not, except as required by law or in a regulatory or judicial proceeding, disclose such information to any third party or use such information for any purpose other than in connection with this RFP; provided, however that if such confidential information is sought in any regulatory or judicial proceeding, the bidders shall take reasonable steps to limit disclosure and use of said confidential information through the use of non-disclosure agreements or requests for orders seeking protective treatment, and shall inform the Evaluation Team that the confidential information is being sought.

Additional state-specific information concerning the confidentiality of information pursuant to state statutes is provided in Appendix G.

In the event confidential information is submitted to the Evaluation Team and confidential treatment is not afforded by a governmental agency of one of the Procuring States, the entities and individuals on the Evaluation Team shall not be held responsible. Each of the members of the Evaluation Team, as well as their employees, agents, and consultants, shall be held harmless for any release of confidential information as long as reasonable efforts to protect the information have been followed. In any event, each of the Soliciting Parties, as well as their employees, agents, and consultants, shall be held harmless for any release of confidential information made available through any public source by any other party.

1.3.3.1 CONFIDENTIAL INFORMATION SHARING AUTHORIZATION FOR ISO-NE

ISO-NE will be requested to provide information to the Evaluation Team concerning proposals as part of the proposal evaluation process. By participating in this RFP bidders agree that the

ISO may release information, related to the projects and that may otherwise be considered confidential under the ISO New England Information Policy, to the Evaluation Team. The Evaluation Team will treat the information provided as confidential as described above in accordance with the Confidential Information policies and practices described in 1.3.3 above.

1.3.4 APPENDICES

All bidders shall sign and submit attached Appendix D with their bids. **A proposal will be considered incomplete unless the required Appendix D is signed and submitted with the proposal.**

1.4 BIDDER CERTIFICATION

An authorized officer or other duly authorized representative of a bidder is required to certify by its submission of its proposal that:

1. the bidder has reviewed this RFP and has investigated and informed itself with respect to all matters pertinent to this RFP and its proposal;

2. the bidder's proposal is submitted in compliance with all applicable federal, state and local laws and regulations, including antitrust and anti-corruption laws;

3. the bidder is bidding independently and has no knowledge of non-public information associated with a proposal being submitted by another party in response to this RFP other than: (1) a response submitted (a) by an affiliate of bidder or (b) for a project where bidder is also a project proponent or participant, which in each case must be disclosed in writing to the Evaluation Team with each such bidder's or affiliated bidder's proposal; or (2) a submission of multiple bids for the same Qualified Clean Energy as discussed in Section 1.2:

4. the bidder has no knowledge of any non-public information associated with the development of this RFP; and

5. the bidder's proposal has not been developed utilizing knowledge of any non-public information associated with the development of this RFP.

Violation of any of the above requirements will disqualify the bidder from the solicitation described in this RFP and may be reported to the appropriate government authorities. See the required Certification in Appendix D.

1.5 CHANGES OR CANCELLATIONS

The terms and conditions of this RFP may, at any time, be changed, postponed, withdrawn and/or canceled, including any requirement, term or condition of this RFP, any and all of which shall be without any liability to any members of the Soliciting Parties or the Evaluation Team. Any changes to or cancellations of this RFP will be posted on www.cleanenergyRFP.com.

1.6 NON-REFUNDABLE BID FEES

Each Project shall be required to pay a non-refundable bid fee which will be used to offset the cost of the quantitative evaluation of bids performed by an independent consultant experienced in the evaluation of such proposals on behalf of the Evaluation Team. The minimum bid fee will be $7,500 for a project with a nameplate capacity of 20 MW. The bid fee will increase by $375 for each MW above 20 MW to a maximum bid fee of $100,000. The bid fee includes one pricing offer. Each additional pricing offer will cost an additional $10,000 for projects of less than 100 MW nameplate capacity and $25,000 for all others. The fee for an additional pricing offer only applies for variations in pricing for the same Project. For all other cases a new bid fee is required. For clarity, if there are changes to any physical aspect of a Project, including but not limited to Project size, technology type(s), production/delivery profile, in-service date, and delivery location, a new bid fee is required[12] Bid fees must be wired to the companies and in the percentages applicable via the instructions contained in appendix I. The fee should be wired no later than the final date for submission of bids. No applications will be reviewed without a bid fee. Submission of a bid fee does not obligate the Selection Team to select a project.

If the total amount of the bid fees collected is not adequate to cover the cost of the quantitative evaluation, the EDCs may either seek recovery of that shortfall through retail rates or terminate the evaluation and selection process under this RFP.[13] If the RFP is terminated uncommitted bid fees will be returned.

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[12] Additional bid fees apply because any change in physical parameters will necessitate an additional run of the nodal electric market simulation model for the calculation of indirect economic benefits set forth in Section 2.3.1.1 of this RFP.

[13] If sufficient bid fees are not collected and the three states RFP is terminated, Connecticut DEEP, in consultation with the Connecticut EDCs, the Connecticut Attorney General, the Connecticut Office of Consumer Counsel, and the Connecticut Procurement Manager, may proceed with an evaluation of submitted project bids and may select bid(s) consistent with Connecticut's Procurement Statutes. Evaluation criteria will be generally consistent with the criteria outlined in this RFP and will include direct and indirect benefits to the extent permitted by budgetary constraints as the bid fees will not be used to conduct the evaluation (other than bid fees already committed to the Evaluation Team's consultant prior to bid submission). If project(s) is/are identified that is/are in the interest of Connecticut rate payers, the commissioner of DEEP may direct the Connecticut EDCs to enter into PPAs with the project bidders and/or recommend Transmission Project(s) to the Connecticut

II. EVALUATION AND SELECTION PROCESS

2.1 OVERVIEW

The essential purpose of this three-state procurement is for the Soliciting Parties in each of the states to identify any projects that offer the potential for the Procuring States to meet their clean energy goals in a cost-effective manner consistent with their Procurement Statutes. The Soliciting Parties in the three states have decided to act jointly to open the possibility of procuring large-scale projects that no state could procure if it acted unilaterally. Although the three-state process opens up the possibility of large-scale projects, the Selection Team in each state will select the project or projects that are consistent with its Procurement Statute and clean energy goals and are most beneficial to its customers. Consequently, evaluation and selection will involve an iterative process by which, after an initial threshold examination and quantitative analysis of bids, the Evaluation Team from each Procuring State will first review and rank bids taking into account the legal requirements and policies of their respective state. These state-specific processes and the related legal requirements are described in the Procurement Statutes which are described in Appendix F. The Selection Team from each state will consider the evaluation results and project rankings to determine projects for selection. Then the Selection Team members from all three of the Procuring States will collaborate to determine whether together they can create a portfolio of projects that would reduce the cost to customers in each of the three states consistent with each state's Procurement Statutes and clean energy goals.

Once proposals are received, the proposals will be subject to a review, evaluation and selection process. The first stage ("Stage One") consists of a review of whether the proposals satisfy specified eligibility, threshold and other minimum requirements set forth in Section 2.2 of this RFP. The second stage ("Stage Two") consists of quantitative and qualitative evaluation of proposals that pass the Stage One review, as described in Section 2.3 of this RFP.

2.2 STAGE ONE – MINIMUM THRESHOLD REQUIREMENTS

In order for a proposal to qualify for evaluation, it must satisfy the requirements described in this Section. These requirements are designed to ensure that proposed projects comply with the requirements of this RFP, satisfy any relevant statutory criteria under the Procurement Statutes, and meet minimum standards demonstrating project viability. Following receipt of the proposals, the proposals will be reviewed to determine whether they satisfy these minimum requirements. Proposals that do not satisfy the Stage One requirements may be disqualified from further review and evaluation. Stage One requirements are set forth in the following section of this RFP.

EDCs. The same regulatory project approval process contained within this RFP will apply to a Connecticut only project evaluation and selection.

2.2.1 ELIGIBLE BIDDER

An Eligible Bidder is a bidder who is the owner of an Eligible Project or the owner of development rights to an Eligible Project, i.e., the developer of the Eligible Project.

2.2.2 ELIGIBLE FACILITY

An Eligible Facility must satisfy the requirements outlined in Section 1.2.4.

2.2.3 ELIGIBLE BIDS

Each bid must satisfy this Section 2.2.3. No bid may require, or allow for, payment for energy, RECs, transmission service, any delivery commitment or for any other reason, cost or service until service has commenced from the Eligible Project.

2.2.3.1 QUALIFIED CLEAN ENERGY AND/OR RECS VIA PPA

An Eligible Bidder bidding to sell Incremental Qualified Clean Energy and/or Tier 1 RECs through a PPA must propose separate prices on a dollar per megawatt-hour ($/MWh) basis for Qualified Clean Energy and/or on a dollar per REC ($/REC) basis for RECs, and a price schedule that conforms with Section 2.2.12. Any RECs sold under a PPA or REC-only contract will only be purchased by the applicable EDC to the extent that those RECs conform to the eligibility criteria for Tier 1 RECs in the RPS program applicable to the EDC's state. If an EDC agrees to purchase both Qualified Clean Energy and/or RECs under a PPA and the RECs cease to conform to the RPS Tier 1 eligibility criteria, the applicable EDC may thereafter only purchase electric energy under that PPA, and if the EDC decides not to purchase those non-conforming RECs, then the Seller will be permitted to sell them to a third party. Any biomass or landfill methane gas facility that has entered into a PPA under Section 6 of Connecticut P.A. 13-303 shall be exempt from the gradually reduced REC value outlined in Section 5 of Connecticut Public Act 13-303.

The Form PPA for Tier 1 renewable resources (attached as Appendix C-1 to this RFP) contains terms and conditions for the sale of both Incremental Qualified Clean Energy and RECs.

2.2.3.1.1 QUALIFIED CLEAN ENERGY FROM A HYDROPOWER RESOURCE (CONNECTICUT ELIGIBILITY REQUIREMENT ONLY)

An Eligible Bidder bidding to sell energy and environmental attributes to the Connecticut EDCs from a Hydropower Resource pursuant to a PPA must propose a price on a dollar per megawatt-hour ($/MWh) basis for firm Qualified Clean Energy Deliveries. The Eligible Bidder must provide a schedule of Qualified Clean Energy Deliveries with their bid. The Soliciting Parties are seeking firm delivery commitments of Qualified Clean Energy Deliveries particularly during on-peak hours in peak demand periods, i.e. the five peak months of January, February,

July, August, and December. On-peak hours are defined as hours ending 0800 to hour ending 2300 on Monday through Friday, excluding North American Electric Reliability Corporation holidays. If the specified amount of Qualified Clean Energy is not Delivered during the specified periods, then the seller will pay damages equal to the amount of Qualified Clean Energy Delivery shortfall in any hour multiplied by the difference between the contract price and the Replacement Price specified in the firm PPA. The economic evaluation for Qualified Clean Energy Deliveries during these on-peak hours in the peak demand months will be expected to score better under the quantitative analysis. The Bidder must detail in its bid how it proposes to certify the environmental attributes are included with the energy delivered which is a requirement under the PPA.

The Form PPA for firm Incremental Qualified Clean Energy from a Hydropower Resource (attached as Appendix C-2 to this RFP) contains terms and conditions for the sale of firm Qualified Clean Energy.

The Massachusetts EDCs and Narragansett will not procure energy or environmental attributes from a Hydropower Resource pursuant to a PPA.

2.2.3.2 QUALIFIED CLEAN ENERGY AND/OR RECS VIA PPA WITH A TRANSMISSION PROJECT UNDER FERC TARIFF

An Eligible Bidder bidding to develop a Transmission Project as part of a packaged bid with Qualified Clean Energy resources as defined in Section 1.2.2.2 above must submit a bid (i) complying with Section 2.2.3.1 or 2.2.3.1.1 for the energy and/or RECs associated with its bid and (ii) providing for payment for its proposed Transmission Project through a FERC-accepted Rate Schedule or Tariff and Service Agreement. The Eligible Bidder must provide detailed information on the Rate Schedule or Tariff and Service Agreement , including:

a. The proposed payment required. If the proposed payment may change during the contract term, then the Eligible Bidder must also provide the method that the Transmission Owner shall use to determine the payment for the Transmission Project under the transmission Rate Schedule or Tariff and Service Agreement to be filed with FERC. If the proposed payment is a formula rate, the Eligible Bidder must also provide the formula that the transmission owner will file with FERC;

b. If the proposed payment is based on the Transmission Project's cost of service and may change during the contract term based on changes in the cost of service, a full revenue requirements model submitted as a working Excel spreadsheet with the formulas intact; and

c. The expected average Incremental Qualified Clean Energy Delivery profile across all hours of a year, including the detailed information and explanation necessary to support such an expectation.

An Eligible Bidder shall comply with any requirements concerning submission of a Transmission Project and the associated proposed Rate Schedule or Tariff and Service Agreement for review through ISO-NE processes, including any applicable requirements related to the interconnection of the proposed Transmission Project to the ISO-NE system.

Bidders should be aware that any Transmission Project(s) presented in their bids will be assumed to include all the activities and costs required to make the Delivery of the Incremental Qualified Clean Energy a reality, including but not limited to the cost of any interconnection facilities and ISO-NE network upgrades associated with the Transmission Project.

The Bidder must also detail in its bid the process to ensure that the associated environmental attributes are included with the energy delivered in New England, and that they are not being applied to any other control area.

2.2.3.3 QUALIFIED CLEAN ENERGY VIA TRANSMISSION PROJECT UNDER A PERFORMANCE-BASED TARIFF CONTAINING A QUALIFIED CLEAN ENERGY DELIVERY COMMITMENT

An Eligible Bidder bidding to develop or receive cost recovery for a Transmission Project to Deliver Qualified Clean Energy under a Performance-Based Tariff containing a Qualified Clean Energy Delivery Commitment as defined in Section 1.2.2.3 above, if selected, will recover the costs of its proposed Transmission Project through a Rate Schedule or Tariff and Service Agreement, as filed with and accepted by the FERC. Bids must include the minimum Qualified Clean Energy Delivery Commitments provided as specified MWhs of Qualified Clean Energy Delivered at specified ISO-NE Node(s) during specified periods of time. At a minimum, the bidder shall provide such Delivery commitments, but may also provide more refined/targeted Delivery commitments (e.g., seasonal and/or seasonal peak hour minimum Delivery requirements) which, other things being equal, are expected to score better under bid analysis. Bids must also include the proposed ownership of associated transmission rights and obligations (e.g., any transmission capacity rights, or any FTR market incremental auction revenue rights) during and after the term of the Qualified Clean Energy Delivery Commitment.

An overview of the Transmission Project under a Performance-Based FERC Tariff containing a Qualified Clean Energy Delivery Commitment approach, including an overview of the regulatory filings and approvals expected to be required, is attached as Appendix E to this RFP.

The Eligible Bidder is required to provide the elements described in 2.2.3.2 a-c above.

An Eligible Bidder shall comply with any requirements concerning submission of a Transmission Project and the associated proposed tariff, Rate Schedule or Tariff and Service Agreement for review through ISO-NE processes, including any applicable requirements related to the interconnection of the proposed Transmission Project to the ISO-NE system.

Bidders should be aware that any Transmission Project(s) presented in their bids will be assumed to include all the activities and costs required to make the Delivery of the Qualified Clean Energy a reality, including but not limited to the cost of any interconnection facilities and ISO-NE network upgrades associated with the Transmission Project.

The bidder must also detail in its bid the process to ensure that the associated environmental attributes are included with the energy delivered in New England, and that they are not being applied to any other control area.

2.2.4 CAPACITY REQUIREMENTS

Eligible Bidders must describe the amount of capacity, and the capacity commitment period, for which they expect the Eligible Facilities in their bids to qualify under the Forward Capacity Auction Qualification ("FCAQ") requirements set forth in Section III.13.1 of Market Rule 1 of ISO-NE's Transmission Markets and Services Tariff and how they expect to meet those requirements which include, among others, satisfaction of network capability interconnections standards and the remedying of any issues identified in the overlapping impact analysis. This FCAQ amount must be consistent with the amount that would typically be expected for similar projects of the same nameplate rating and technology type. There will be no payments or price supports from the EDCs for capacity associated with any Qualified Clean Energy procured under this RFP. The Bidder will retain any capacity revenues received from ISO-NE. The Eligible Bidder must disclose in its proposal if the Bidder is committing to bid that qualified capacity amount into the capacity market and if so, must take (i) any necessary and appropriate actions to qualify and participate; and (ii) commercially reasonable actions to be selected and compensated in the capacity market, including the use of the Renewable Technology Resource exemption (Section III.13.1.1.1.7) if the Eligible Facility would qualify for use of such exemption. Please note, however that under the CT PPA for firm Qualified Clean Energy from a Hydropower Resource, the Bidder does not have this option and the qualified capacity must be bid into the capacity market.

For consideration under Massachusetts Section 83A, bids will also be accepted from Eligible Bidders which may choose to offer Eligible Facilities without a commitment to qualify capacity for participation in the ISO-NE Forward Capacity Market. Such bids should be clear on this issue to ensure proper consideration and evaluation against other bids submitted under Massachusetts Section 83A which may include commitments to qualify capacity in accordance with requirements in the paragraph above.

2.2.5 INTERCONNECTION REQUIREMENTS

The interconnection location of the Hydropower Resources which seek to qualify for consideration under Section 4 of Connecticut Public Act 13-303 or Section 1(c) of Public Act 15-107 must meet the location requirements of those statutes. The Delivery of Qualified Clean Energy from Eligible Facilities must occur throughout the term of the PPA or Qualified Clean Energy Delivery Commitment. It is the responsibility of the Eligible Bidder to satisfy the Delivery requirement. The Delivery point must be located so that EDCs are not responsible for wheeling charges to move energy to the ISO-NE Pool Transmission Facilities. The EDCs will not be responsible for any costs associated with Delivery other than the payment of the bid prices. Similarly, EDCs will not be responsible for any scheduling associated with Delivery.

The Eligible Bidder will be responsible for all costs associated with and/or arising from interconnecting its project to the transmission grid and for ensuring that the Qualified Clean Energy is recognized in ISO-NE's settlement system as injected in the ISO-NE energy market at a specified and agreed upon pricing node. At no time will one or more EDCs assume the responsibility of Lead Market Participant. GIS certificates representing the environmental attributes associated with the Qualified Clean Energy must be delivered into the EDCs' NEPOOL GIS accounts.

A facility will not be eligible under this RFP if it is net-metered or behind the meter.

The Eligible Facility shall comply with all ISO-NE and FERC interconnection requirements for generation facilities and interregional ties, as applicable.

To meet this threshold requirement, Eligible Bidders must submit a plan that clearly demonstrates how Qualified Clean Energy will be Delivered from or by the proposed Eligible Project to the Delivery point that is a PTF Node as outlined in Section 6 of Appendix B. Additionally, the Eligible bidder must detail the status (and conclusions, as available) of interconnection applications and studies, as further described in Section 6 of Appendix B.

2.2.6 ALLOWABLE CONTRACT TERMS

The contract terms for product delivery for mandated procurements under the Procurement Statutes in each State are specified in 1.2.5 above. Bidders are encouraged to make their own determination as to the product delivery terms that best fit their individual needs while meeting the state requirements.

2.2.7 MINIMUM CONTRACT SIZE

Any bid must provide for the Delivery of Qualified Clean Energy and/or associated RECs from Eligible Facilities with a minimum nameplate rating of 20 MW. An Eligible Bidder may offer bids for a portion of the production of Qualified Clean Energy and/or RECs from its proposed Eligible Facility, provided such portion is 20 MW or greater. Similarly, an Eligible Bidder may offer bids for a portion of a Transmission Project provided that such portion provides for the Delivery of Qualified Clean Energy with a minimum nameplate rating of 20 MW or greater. An Eligible Bidder may also offer bids that aggregate capacity among two or more Eligible Facilities, provided that the Eligible Facilities have the same contract purchase rate (if the bid is for Qualified Clean Energy via a PPA), Deliver to the same Delivery point, and that the aggregation allows for the execution of one contract per EDC for all the Eligible Facilities included in the bid (i.e. each EDC will only execute one contract for the bid, with one price and one Delivery point).

2.2.8 GENERATION SITE/TRANSMISSION ROUTE CONTROL

The Eligible Bidder of a generation project must demonstrate that it has control, or an unconditional right to acquire control, over the generation site included in the bid. In all cases, site control and property rights include all necessary leases, easements or development rights necessary to operate or develop the generation project. In order to be considered to have site control for generation projects, the Eligible Bidder must provide documentation showing one of the following: that they own the site or have a lease or easement with respect to the site on which the proposed project will be located for a term at least as long as the PPA or Qualified Clean Energy Delivery Commitment term; or have an unconditional option agreement to purchase or lease the site for such term. This requirement applies to both new and existing facilities.

Eligible Bidders for a Transmission Project must have property rights for a substantial portion of the property necessary for the Transmission Project, and include a plan for acquiring the rest of the required property rights. If all property rights have not yet been obtained, the Eligible Bidder must describe the authority the Transmission Project developer has to acquire necessary rights of way; the experience of the Transmission Project developer in acquiring rights of way; the status of acquisition of right, title and interest in rights of way, substations and other property or facilities, if any, that are necessary for the proposed project; a detailed explanation of the feasibility of the Transmission Project and potential constraints and challenges; and the means by which the Transmission Project Developer proposes to satisfy state legal or regulatory requirements for siting, constructing, owning and operating the Transmission Project.

2.2.9 TECHNICAL VIABILITY; ABILITY TO FINANCE THE PROPOSED ELIGIBLE PROJECT

The Eligible Bidder must demonstrate that the technology it proposes to use is technically viable. Technical viability may be demonstrated by showing that the technology is commercially available and has been used successfully as outlined in Section 8 of Appendix B.

The Eligible Bidder must demonstrate the financial viability of the proposed Eligible Project, including the funding of development costs and the required development period security and the ability to acquire the required equipment in the time frame proposed (see section 5 of Appendix B).

2.2.10 EXPERIENCE

The Eligible Bidder must demonstrate that it has a sufficient amount of relevant experience and expertise, as applicable, to successfully develop, finance, construct, and operate and maintain its proposed Eligible Project. Development, financing and construction experience can be established by demonstrating that key member(s) of the bidder's development team have undertaken project management responsibilities, including:

a. Successful development and construction of a similar type of project; or

b. Successful development and construction of one or more projects of similar size or complexity or requiring similar skill sets; and

c. Experience successfully financing power generation or transmission projects (or demonstrating the financial means to finance the Eligible Project on the Eligible Bidder's, Eligible Project developer's or Eligible Project owner's balance sheet).

Operations and maintenance experience should be addressed as outlined in Section 9 of Appendix B.

2.2.11 PROPOSAL CERTIFICATION

Eligible Bidders are required to sign the Proposal Certification Form in the CPPD verifying that the price(s), terms and conditions of the proposal are valid for at least 270 days following submission. Only an officer or other duly authorized representative of the Eligible Bidder may sign the Proposal Certification Form.

2.2.12 ALLOWABLE FORMS OF PRICING

2.2.12.1 PRICING FOR QUALIFIED CLEAN ENERGY AND/OR RECS VIA PPA

Proposals for Qualified Clean Energy, Qualified Clean Energy and Tier 1RECs, or Tier 1 RECs only, will be accepted **only if** they conform to the following requirements:

a. The proposal must provide fixed prices (in $/MWh and/or $/REC) annually for the term of the contract, and prices may be the same each year or increase by a defined escalation rate over time. Separate Qualified Clean Energy prices must be provided for on- and off-peak periods.[14]

b. Prices must be paid on a $/MWh or $/REC basis for actual production following Delivery. No fixed payments, pre-payments or fees shall be paid.

c. Proposals including Qualified Clean Energy and RECs, or a portion thereof, must provide separate prices for such Qualified Clean Energy and RECs. For such proposals, if an EDC agrees to purchase both Qualifying Clean Energy and RECs under a PPA and the RECs cease to conform to the RPS Class 1 eligibility criteria, the applicable EDC will thereafter only purchase electric energy under that PPA, and the Seller will be permitted to sell those non-conforming RECs to a third party.[15] Pricing for Qualified Clean Energy and RECs must closely align with the relative market value of those products. Any biomass or landfill methane gas facility that has entered into a PPA under Section 6 of Connecticut PA 13-303 shall be exempt from the gradually reduced REC value outlined in Section 5 of Connecticut Public Act 13-303.

d. Proposals for RECs only must be priced in $/REC. For such proposals, if an EDC agrees to purchase RECs under a REC contract and the RECs cease to conform to the RPS Tier 1 eligibility criteria, the contract will be terminated.

e. For the National Grid Mass EDCs, payment for RECs associated with generating facilities in the ISO-NE balancing area will be made following Delivery of the Qualified Clean Energy so long as the National Grid Mass EDC and the seller enter an irrevocable Forward Certificate Transfer of those RECs in the NEPOOL GIS. For all other EDCs and for RECs associated with generating facilities outside the ISO-NE balancing area payment for RECs shall be made after receipt of the RECs in the EDC's NEPOOL GIS Account.

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[14] For Connecticut, bids that have variable fuel costs (biomass and fuel cells) may submit bids with a variable price that is adjusted based on a publicly available energy related index that appears in a publication that is common to, and widely accepted by the energy industry.

[15] For PPAs executed by, Massachusetts Electric Company and Nantucket Electric Company (the "National Grid Mass EDCs"), the bidders should propose an "Adjusted Price" that would be paid under a PPA for Qualified Clean Energy and RECs if the RECs cease to be Tier 1 RECs, with those non-conforming RECs no longer being purchased by the applicable EDC.

Proposed prices may not be conditioned upon or subject to adjustment based upon the availability of the Federal Production Tax Credit or the Federal Investment Tax Credit, or the availability or receipt or continuation for any period of any other tax treatment or government grant or subsidy.

An Eligible Bidder may submit up to five pricing proposals for the sale of Qualified Clean Energy and/or RECs from an Eligible Facility. The bidder may submit proposals that include more than one contract term (*e.g.*, 15 and/or 20 years), or different products (Qualified Clean Energy; Qualified Clean Energy and RECs; RECs only); or different quantities of products.

Bidders should indicate whether any of their Eligible Facility or contract size (MW) is scalable, and to what degree, based upon the pricing submitted in the CPPD.

The Eligible Bidder must identify its proposed Delivery point for Qualified Clean Energy.

Under the terms of the Class I PPA, in the event that the LMP for the Qualified Clean Energy at Delivery point is less than $0.00 per MWh in any hour, then the Buyer will purchase the Delivered Energy and or RECs at the contract rate and the seller shall credit to buyer, on the appropriate monthly invoice, an amount equal to the product of (i) such Qualified Clean Energy Delivered in each such hour and (ii) the absolute value of the hourly LMP at that Delivery point.

These forms of pricing are conforming under this RFP. The Evaluation Team may consider other forms of pricing as an alternative as long as the Bidder submits a proposal for the project with conforming pricing as described above. Alternative pricing may be considered subject to the following conditions:

a. Any index used in a pricing formula must be energy related and publicly available; and

b. There must be a price cap for each year under the proposed contract.

The Evaluation Team is under no obligation to consider or accept any form of alternative pricing.

2.2.12.2 PRICING FOR TRANSMISSION PROJECTS AS PART OF A PACKAGE BID WITH QUALIFIED CLEAN ENERGY AND/OR RECS VIA PPA

Proposals that include a Transmission Project packaged with a PPA for Qualified Clean Energy and/or RECs should have two components. Pricing for the PPA should conform to the requirements of Section 2.2.12.1 above. Pricing for the Transmission Project should be proposed separately under a FERC-filed tariff or rate schedule, and if that pricing is based on the Transmission Project's cost of service and may change during the contract term based on

changes in the cost of service, a full revenue requirements model must be submitted as a working Excel spreadsheet. Fixed prices are encouraged for Transmission Projects. Cost of service is allowed for transmission pricing proposals, but proposals including cost containment features such as fixed price components, cost overrun restrictions, or other cost bandwidth provisions to limit customer risk will be viewed more favorably[16].

2.2.12.3 PRICING FOR TRANSMISSION PROJECTS UNDER A PERFORMANCE-BASED TARIFF CONTAINING A QUALIFIED CLEAN ENERGY DELIVERY COMMITMENT

Pricing for Transmission Projects under a Performance-Based Tariff Containing a Qualified Clean Energy Delivery Commitment must provide for payments to be reduced for failure to meet the Qualified Clean Energy Delivery Commitment. Bidders may, but are not required to, base that pricing on the Transmission Project's cost of service, which may or may not change during the contract term based on changes in the cost of service. If the cost of service may change during the contract term, a full revenue requirements model should be submitted as a working Excel spreadsheet. Fixed prices are encouraged for Transmission Projects. Cost of service is allowed for transmission pricing proposals, but proposals including cost containment features such as fixed price components, cost overrun restrictions, or other cost bandwidth provisions to limit ratepayer risk will be viewed more favorably[17].

2.2.13 FACILITATE FINANCING OF RENEWABLE ENERGY GENERATION (MASSACHUSETTS SECTION 83A ONLY)

An Eligible Bidder that seeks to qualify for consideration under Massachusetts Section 83A must demonstrate that its proposal advances the goal of Section 83A for the selection of cost-effective long-term contracts that facilitate the financing of renewable energy generation. The Eligible Bidder should specify how a contract resulting from this RFP process would either permit it to finance a project that would otherwise not be financeable or assist it in obtaining financing of its project.

2.2.14 PROPOSAL COMPLETENESS: ELIGIBLE BIDDER RESPONSE FORMS AND THE FORM PPA

Eligible Bidders must follow the instructions provided in Appendix B and provide complete responses. Eligible Bidders are also required to fill out Appendices D, E, and F. Eligible Bidders

[16] The Selection Team is unlikely to select a Transmission Project without significant cost containment features and strongly encourages Bidders to include such features in any proposal for a Transmission Project that includes variable cost-of-service rate treatment. In any case, proposals for such Transmission Projects should include all information available (e.g. basis and assumptions for transmission cost estimates) to support consideration of the expected accuracy of the proposed costs/offered rates.

[17] See footnote above.

are required to provide the information specified in each section of the CPPD. If any of the information requested is inconsistent with the type of technology or product proposed, the Eligible Bidder should include "N/A" and describe the basis for this determination. If an Eligible Bidder does not have the information requested in the bid forms and cannot obtain access to the information prior to the bid submittal due date, the Eligible Bidder should provide an appropriate explanation. If Eligible Projects are not in the ISO-NE interconnection queue they are expected to initiate the process.

Appendices C-1 and C-2 are the forms of the PPAs ("Form PPAs") being used in this solicitation. The Form PPA contained in Appendix C-2 shall only be used for bids of firm Qualified Clean Energy from a Hydropower Resource, as described in Section 2.2.3.1.1 (Connecticut Eligibility Only). Eligible Bidders must include a marked version showing any proposed changes to the Form PPAs with their bid, and it is assumed that Eligible Bidders would be willing to execute the marked-up PPA included in their bids. **Eligible Bidders are discouraged from proposing material changes to the Form PPAs.**

2.2.15 BID FEES

Each applicant must submit the bid fee for each proposed Eligible Project as described in Section 1.6.

2.3 STAGE TWO – QUANTITATIVE AND QUALITATIVE ANALYSIS

Proposals that meet the requirements of the Stage One review will be subject to a quantitative and qualitative analysis in Stage Two of the evaluation process. The results of the quantitative and qualitative analysis will be a relative ranking and scoring of all proposals. Stage 2 scoring will be based on a 100-point scale. Proposals will be scored with up to 75 points for quantitative factors. The remaining 25 points will be scored for qualitative factors for purposes of conducting the Stage Two evaluation.

Since each state may have different qualitative scores, there may be different rank orders among states.

Pursuant to Public Act 15-107, the Connecticut Evaluation Team is required to compare the costs and benefits of all proposals being evaluated pursuant to P.A. 15-107 to the expected or actual costs and benefits of other resources eligible to respond to other procurements pursuant to P.A. 15-107.

2.3.1 EVALUATION USING QUANTITATIVE EVALUATION CRITERIA

The quantitative evaluation will take place in multiple steps, and the evaluation will vary based on whether a bid includes a PPA or not. The first step will be a screening process wherein the

Evaluation Team will compare bids directly and determine whether one or more bids are not economically competitive when compared to other bids. If the consensus view of the Evaluation Team and the Evaluation Teams consultant is that one or more bids are not economically competitive enough based upon an objective benchmark to be selected irrespective of qualitative evaluation results or indirect benefits, then such bids will not proceed to the quantitative evaluation. Bids that proceed to the quantitative evaluation will be evaluated based on a combination of their indirect economic benefits and direct contract price benefits where applicable.

2.3.1.1 INDIRECT ECONOMIC BENEFITS

The quantitative evaluation process will include an evaluation of the indirect economic benefits to customers using the outputs from a nodal electric market simulation model (e.g. Ventyx PROMOD**)**. The indirect economic benefits will be measured by comparing the model outputs with and without the bid. Benefits to be considered are based on a combination of change in locational marginal price (LMP) and change in production cost including consideration of net imports and exports to customers of the Procuring States. Benefits may also include economic impact based upon changes in LMP during stressed system conditions to customers of the Procuring States. The references case system topology will be based on the 2015 ISO New England Capacity, Energy, Load and Transmission (CELT") report. At the Evaluation Team's option, the evaluation may use representative projects to estimate the indirect benefits of projects that are bid that are very similar in technology type, size and delivery location.

2.3.1.2 DIRECT CONTRACT BENEFITS

Bids including one or more PPA's will be evaluated on both direct contract price benefits and indirect economic benefits. Direct contract price benefits will be evaluated using a mark-to-market comparison of the purchase price of any Incremental Qualified Clean Energy and/or RECs under a PPA (including any associated transmission costs under a Rate Schedule or Tariff and Service Agreement) to their projected market prices at the delivery point with the project in-service.

2.3.1.3 QUANTITATIVE EVALUATION METRICS

The quantitative evaluation will use a multi-year net present value analysis to preliminarily rank all projects that pass the initial screening (described in Section 2.3.1). For purposes of computing the net present value, a discount factor of 7% will be used. The metric used for ranking bids will be the benefit to cost ratios of projects, based on the combination of direct and indirect benefits divided by the payments required by the project.

The Qualifying Clean Energy production profile provided by the Eligible Bidder will be evaluated for reasonableness. The Evaluation Team and the Evaluation Team Consultant will also

evaluate the reasonableness of transmission cost estimates associated with any proposal involving cost-of-service ratemaking or modified cost-of-service ratemaking. It is the bidder's responsibility to support the basis for all estimates and underlying assumptions. The Evaluation Team reserves the right to modify any bidder production profile or estimated cost (i.e., use a different profile or estimated cost from that provided by the bidder) or any other estimate in order to produce a reasonable and appropriate evaluation.

2.3.2 QUALITATIVE EVALUATION

The qualitative evaluation will consist of the factors mandated by the Procurement Statutes as well as factors deemed important by the Evaluation Team, identified in Section 2.3.2.1 below. Evaluation Team members in individual states may weight these factors differently, or may not include individual factors in their evaluation, based on the individual state statutes and/or preferences of the different entities. The purpose of such criteria is to permit evaluation of state specific factors, including reliability, economic and environmental impacts.

2.3.2.1 FACTORS TO BE ASSESSED IN QUALITATIVE EVALUATION

The qualitative factors that will be assessed are summarized as follows[18]:

- Eligible Project Viability:
  - Eligible Project team financing experience
  - Demonstration of Project Financial Viability
  - Need for and likelihood of subsidies
  - Completeness and credibility of detailed critical path schedule
  - Credibility of any fuel resource plans or energy resource plans
  - Reliability of proposed technology
  - Commercial access to proposed technology

[18] The individual state Evaluation Teams will not necessarily include or weight all of the criteria in the same manner.

- Viability of any proposed Transmission Project plans

- Eligible Project feasibility, including:
  - Experience and capability of the Eligible Bidder and Eligible Project team including, where applicable, any associated transmission development team, in project development, operations and maintenance, and experience in the ISO-NE market
  - Status of permits and credibility of plan to obtain approvals
  - Demonstrated progress in the interconnection process
  - Identification of required permits and approvals
  - Extent to which site or route control has been achieved, including acquisition of necessary easements or rights-of-way
  - Community relations plan and status
  - Conformance with FERC's applicable regulatory requirements
- Eligible Project development status and operational viability
  - Ability to meet scheduled construction start date and commercial operation date
  - Progress in interconnection process
- Extent to which the price offered is firm, contains cost containment provisions for cost of service transmission projects, or proposes purely cost-of-service pricing
- Other qualitative factors that may be considered by the Selection Team, as required by a specific procurement statute, include:
  - Reductions in greenhouse gas emissions
  - Consistency with the policy goals outlined in the Connecticut Comprehensive Energy Strategy, including but not limited to:
    - Base load capacity
    - Peak load shaving
    - Promotion of wind, solar and other renewable and low carbon energy technologies

- Economic development benefits
- Installed Capacity and Local sourcing requirements
- Improvements to reliability to the electric system in general and improvements to winter reliability specifically, consistency with the policy goals and outlines in the 2014 Connecticut Integrated Resource Plan, and contributing to fuel diversity
- Improvements to air quality

- Benefits to the Forward Capacity Market
- Price Risk
- Reasonableness of proposed contractual or tariff arrangements, including reasonableness of exceptions to Form PPAs
  - The extent to which bidder accepts provisions of the Form PPAs, if applicable
  - The extent to which bidder proposes exceptions to form PPAs or proposes contractual or tariff arrangements that are adverse to the EDCs and their customers

The quantitative evaluation may be conducted before the qualitative evaluation, and the Evaluation Team may elect not to conduct the qualitative evaluation for any proposal that could not be selected based upon the quantitative results even if it received the maximum possible qualitative score. It is expected that not all proposals will pass to Stage Two and that not all proposals evaluated in Stage Two will be offered the opportunity to proceed to contract negotiation.

The Selection Team from each state will then consider the evaluation results and rankings to determine projects for selection. Finally, the Selection Team members from all three states will collaborate to determine whether together they can create a portfolio of projects that would reduce costs to customers in each state while still complying with their respective Procurement Statutes and clean energy goals.

For Connecticut, the Procurement Statutes allow the CT DEEP Commissioner to direct the Connecticut EDCs to enter into PPAs, but do not allow the Commissioner to direct the EDCs to contract for transmission. Therefore, if CT DEEP selects any Transmission Project(s), it would recommend such project(s) to the Connecticut EDCs.

Bidders will not be offered the opportunity to refresh their pricing.

2.4 CONTRACTING/TARIFF PROCESS

2.4.1 PPAs

Eligible Bidders will be notified whether they have been selected to enter into a PPA with one or more of the EDCs.

The Eligible Bidders will enter into separate contracts with one or more EDCs at the discretion of the EDCs. If an Eligible Facility is selected by both Massachusetts and Connecticut, the amount selected will be divided equally between the states up to their statutory limits. The EDCs within the states will then negotiate to contract for their load ratio share. The Selection Team will coordinate the finalization of contracts between the selected Eligible Bidders and the EDCs. Contract finalization between the selected Eligible Bidders and the EDCs may occur on a rolling basis throughout the 270-day period during which the proposals are valid.

2.4.2 TRANSMISSION TARIFFS

Selected Eligible Bidders whose projects include Transmission Projects will file any necessary Rate Schedules or Tariff and Service Agreements with the FERC pursuant to Section 205 of the Federal Power Act. Any allocation of the transmission projects among the EDCs will be based upon their load ratio percentage.

2.4.3 SECURITY

Eligible Bidders who are selected will be required to post Security.

The required level of Security for PPAs for RPS Class I Renewable Generation Units is the Per MWh per hour Security Amount multiplied by the Contract Maximum Amount (as defined in the Form PPA) in MWh per hour for the Eligible Facility. The per MWh per hour Security Amount is $20,000. Fifty percent (50%) of the Security must be provided at the time of contract execution. The remaining fifty percent (50%) of the Security must be provided upon regulatory approval of the contract. Security will be promptly returned if the applicable regulatory agency does not approve the PPA.

The required level of fixed security for a PPA for firm Qualified Clean Energy from a Hydropower Resource is similar to that for RPS Class I Renewable Generation Units. However, additional security may be required after regulatory approval is received. If the Buyer's market exposure over the ensuing 60 contract months exceeds the Seller's unsecured credit limit, then additional security to cover the excess Buyer's market exposure will be required. The Seller's unsecured credit limit will be based on the Seller's (or Guarantor's) credit ratings. The Buyer will not provide security to the Seller under any circumstances.

The required level of Security for Transmission Projects under a performance based tariff (no PPA) is $10,000 per MW. Fifty percent (50%) of the Security must be provided within five

business days after the Eligible Bidder has been notified that it has been selected to file a Rate Schedule or Tariff and Service Agreement with the FERC. The remaining fifty percent (50%) of the Security must be provided upon FERC acceptance of the Rate Schedule or Tariff and Service Agreement. Security will be promptly returned if agreement is not reached on the Rate Schedule or Tariff and Service Agreement or if they are not accepted by FERC.

The required security must be in the form of a cash deposit or a letter of credit from a U.S. commercial bank or the U.S. branch of a foreign bank, in either case having (x) assets on its most recent balance sheet of at least $10 billion and (y) a credit rating of at least A2/A. More detail on the security requirements is included in the Form PPAs.

2.5 REGULATORY APPROVAL

The EDCs' obligations to procure any Incremental Qualified Clean Energy selected are conditioned upon approval of the Rate Schedules, and Tariffs and associated cost recovery by the appropriate state regulatory authority and any other relevant regulatory authorities. Once the parties have executed a PPA, the EDCs shall submit the executed PPA to the applicable state regulatory authority for approval.

In the case of federal transmission rates, such charges are subject to the review and approval of the FERC pursuant to the Federal Power Act. The EDC's obligations under such rate schedules are also conditioned upon approval of the associated cost recovery by the appropriate state regulatory authority and any other relevant regulatory authorities.

Any Eligible Bidder requiring regulatory approval by a certain deadline must state that deadline in its proposal, and that deadline will be considered in assessing the overall viability of the Eligible Project.

2.5.1 CONNECTICUT REGULATORY APPROVAL

Under Section 6 of Connecticut Public Act 13-303, any PPA shall be subject to review and approval by the Public Utilities Regulatory Authority, ("PURA"), which review shall be completed no later than thirty days after the date on which such agreement is filed with PURA. Under Section 7 of Connecticut Public Act 13-303, any PPA shall be subject to review and approval by PURA, which review shall include a public hearing and be completed no later than sixty days after the date on which such agreement is filed with PURA. Under Public Act 15-107, any PPA shall be subject to review and approval by PURA, which review shall be completed no later than ninety days after the date on which such agreement is filed with PURA, If any Projects

are selected for PPAs under multiple statutes, the most restrictive regulatory approval process will apply[19]

2.5.2 MASSACHUSETTS REGULATORY APPROVAL

Under Section 83A in Massachusetts, the obligations of both the Massachusetts EDCs and the successful bidders to perform under each contract shall not become effective or binding until receipt of the approval of the Massachusetts Department of Public Utilities ("MDPU") as described in each contract except for the provision of security as described in Section 2.4.3. After a Massachusetts EDC and successful bidder have executed a contract that satisfies the requirements of Section 83A as a result of this RFP process, the Massachusetts EDCs intend to submit the proposed contract to the MDPU for review and approval within 30 days of execution, unless circumstances require a longer period to prepare the MDPU filing materials.

Section 83A, as implemented by the MDPU, establishes several requirements relating to the MDPU's review and approval. In addition, the MDPU has promulgated regulations at 220 CMR 21.00 et seq., setting forth the criteria for its review pursuant to the requirements of Section 83A. When evaluating a proposed contract under Section 83A, the MDPU will consider the recommendations of the Massachusetts Office of the Attorney General ("MA AGO"), which must be submitted to the MDPU within 45 days of the filing of the proposed contact.

Once the MDPU issues a decision approving a Massachusetts EDC's request for approval of an executed contract under Section 83A, the Massachusetts EDC shall have five (5) business days after the appeal period has elapsed and after any motions or appeals are resolved to review the form and substance of the MDPU's approval. Each Massachusetts EDC shall have the opportunity to terminate the contract if the MDPU's approval contains terms or conditions that are deemed to be unsatisfactory to the Massachusetts EDC, in its sole discretion. Terms or conditions that may be unsatisfactory include but are not limited to denial of annual remuneration equal to 2.75 percent of the annual payments under the contract, which is required by Section 83A and is intended to compensate the Massachusetts EDC for accepting the financial obligation of the long-term contract at issue.

2.5.3 RHODE ISLAND REGULATORY APPROVAL

[19] For example, if a PPA is awarded under both Section 7 of Public Act 13-303 and Section 1(c) of Public Act 15-107, the regulatory process would be 60 days and require a public hearing.

Pursuant to Chapter 39-31 in Rhode Island, once Narragansett (in consultation with the Rhode Island Division of Public Utilities and Carriers and Rhode Island Office of Energy Resources) has executed a contract as a result of this RFP process, the proposed contract will be submitted to the RIPUC for review and approval within thirty (30) days of execution, unless circumstances require a longer period to prepare the filing materials. Once submitted, the RIPUC shall accept public comments on any contracts filed by Narragansett pursuant to Chapter 39-31 for a period no less than thirty (30) days, including advisory opinions by other Rhode Island state agencies. The RIPUC shall hold evidentiary hearings and public hearings to review any contract filed pursuant to Chapter 39-31, and issue a written order approving or rejecting the contract. The RIPUC will approve the contract if it determines that the contract: (1) is consistent with the purposes of Chapter 39-31; (2) will benefit Rhode Island by improving local and regional energy system reliability and security; (3) will benefit Rhode Island customers by offering the potential for reduced-energy price volatility and reduction of energy-supply costs in the context of an integrated regional energy system; (4) will not cause unacceptable harm to the environment and is consistent with the region's greenhouse gas-reduction goals; and (5) will enhance the economic fabric of the state. No contract will be effective unless and until it is approved by the RIPUC.

Once the RIPUC issues a decision approving a request for approval of an executed contract under Chapter 39-31, Narragansett shall have five (5) business days after the appeal period has elapsed and after any motions or appeals are resolved to review the form and substance of the RIPUC's approval. Narragansett shall have the opportunity to terminate the contract if the RIPUC's approval contains terms or conditions that are deemed to be unsatisfactory to the Narragansett, in its sole discretion.

2.5.4 FERC APPROVAL

Any FERC-jurisdictional Rate Schedule or Tariff and Service Agreement agreed upon by an Eligible Bidder and the applicable EDCs will be filed with the FERC under Section 205 of the Federal Power Act. The FERC must accept the filing before the Rate Schedule or Tariff and Service Agreement can become effective.

III. INSTRUCTIONS TO BIDDERS

3.1 SCHEDULE

The proposed schedule for the bidding process is set forth below. The Soliciting Parties reserve the right to revise the schedule as necessary. **Any changes or revisions to the schedule will be posted on the Soliciting Parties' website www.cleanenergyrfp.com.**

Release of the Draft RFP	02/25/15
Public Comment Period	02/25/15 – 03/27/15
Release RFP to Bidders	11/12/15
Bidder Conference	12/03/15
Deadline for the submission of written questions	12/29/15
Responses to Q&A submitted posted	01/14/16
Due Date for Proposal Submissions	01/28/16
Selection of Bidders	04/26/16 – 07/26/16
EDCs Execute Contacts	06/23/16 – 09/22/16
Submit Contracts for Regulatory Approval	07/26/16 – 10/25/16
Regulatory Approval	2016

3.2 QUESTIONS FROM BIDDERS AND NOTICE OF INTENT TO BID

Prospective bidders are encouraged to submit questions about this RFP to the Soliciting Parties on or before the deadline for submission of questions listed in the schedule. The Soliciting Parties will answer questions submitted by that deadline by posting the questions and answers on its website www.cleanenergyRFP.com.

Prospective bidders are encouraged to submit a Notice of Intent to Bid form, which is attached as Appendix A to this RFP. Please submit the Notice of Intent to bid to cleanenergyRFP@gmail. The Soliciting Parties will endeavor to email updates regarding this RFP to prospective bidders who submit a Notice of Intent to Bid. This does not relieve bidders of their responsibility to check the website for news and updates. Prospective bidders who submit a Notice of Intent to Bid are not obligated to submit a proposal, and proposals will be accepted from Eligible Bidders who do not submit a Notice of Intent to Bid. Any Notices of Intent to Bid submitted will be made public to encourage potential bidders to match Qualified Clean Energy projects with transmission in combination bids.

3.3 PREPARATION OF PROPOSALS

Each Eligible Bidder shall have sole responsibility for carefully reviewing this RFP and for thoroughly investigating and informing itself with respect to all matters pertinent to this RFP and its proposal, including pertinent ISO-NE tariffs, Market Rules and other information. Eligible Bidders should rely on information provided in this RFP when preparing their proposals. Each Eligible Bidder shall be solely responsible for and shall bear all of its costs incurred in the preparation of its proposal and/or its participation in this RFP.

3.4 ORGANIZATION OF THE PROPOSAL

Eligible Bidders are required to organize their proposal **consistent with the Submission Instructions in Appendix B.** The organization and contents of the proposal should be organized as follows:

1. Certification, Project and Pricing Data (CPPD form)
2. Executive Summary of the Proposal
3. Operational Parameters
4. Energy Resource Plan
5. Financial/Legal
6. Siting, Interconnection, and Deliverability
7. Environmental Assessment, Permit Acquisition Plan and Tier 1 Certification
8. Engineering and Technology; Commercial Access to Equipment
9. Operation and Maintenance
10. Project Schedule
11. Project Management/Experience
12. Emissions
13. Contributions to Employment and Economic Development and Other Direct and Indirect Benefits
14. Additional Information Required for Transmission Projects
15. Exceptions to Form PPA

The Eligible Bidder must also provide the information specified in the following Appendices:

Appendix D – Certification

3.5. UPDATES TO PROPOSAL

After proposal submissions, an Eligible Bidder may provide new information, e.g., the status of obtaining permits and financing, to the Soliciting Parties about the Eligible Project that was not available at the time of proposal submission. These updates are for informational purposes only and will not be treated as a change or revision to the terms of the bidder's proposal by the Soliciting Parties.

3.6 REQUESTS FOR ADDITIONAL INFORMATION

Following the submission of proposals, the Soliciting Parties, EDCs or CT DEEP may request clarification and additional information from Eligible bidders at any time during the evaluation process. Such information will be subject to public posting and protection of confidential information as described elsewhere in this RFP, consistent with other bid submission materials. Eligible Bidders that do not respond promptly to such information requests or do not provide adequate information may be eliminated from further consideration or have the information in their proposals modified by the Evaluation Team and the Evaluation Team Consultant to produce a reasonable and appropriate evaluation.

3.7 LIMITATION OF LIABILITY

Neither this RFP nor any other aspect of this solicitation shall create an agency, partnership, joint venture, or cotenancy relationship among the Soliciting Parties, the members of the Evaluation Team or the Selection Team or any other individuals or entities involved in the development or administration of this RFP (collectively, the "RFP Parties"), nor any other relationship or liability beyond those (if any) explicitly adopted in writing and executed by authorized representatives of the applicable RFP Parties. None of the RFP Parties shall be liable for any act or omission of any other RFP Party. Neither this RFP nor any other aspect of this solicitation creates or is intended to create third-party beneficiaries hereunder. In no event will an RFP Party be liable to any person for special, incidental, punitive, exemplary, indirect or consequential damages or lost profits, whether by statute, in tort or contract or otherwise.

APPENDIX A

NOTICE OF INTENT TO BID

1. Company Name: _____

2. Project Name: _____

3. Contact Person Information:

Name:	
Title/Position:	
Mailing Address:	
Telephone Number:	
Fax Number:	
E-mail Address	

4. Project Size (MW/KV): _____

5. Project Location: _____

   _____

6. Estimated Commencement of Construction Date (Month-Year): _____

   Estimated Commercial Operation Date (Month-Year): _____

7. Authorized Signature: _____

   Title: _____ Date: _____

Bidders should send the Notice of Intent to Bid Form by to the Soliciting Parties to cleanenergyRFP@gmail.com

APPENDIX B

Proposal Submission Instructions

All proposals shall be submitted in accordance with Section 1.3 of the RFP. Proposals should be organized into the following Sections:

1. Certification, Project and Pricing Data (CPPD form)
2. Executive Summary of the Proposal
3. Operational Parameters
4. Energy Resource Plan
5. Financial/Legal
6. Siting, Interconnection, and Deliverability
7. Environmental Assessment, Permit Acquisition Plan and Tier 1 Certification
8. Engineering and Technology; Commercial Access to Equipment
9. Operation and Maintenance
10. Project Schedule
11. Project Management/Experience
12. Emissions
13. Contribution to Employment and Economic Development and Other Direct and Indirect Benefits
14. Additional Information Required for Transmission Projects
15. Exceptions to Form PPA

Appendix D – Certification

Directions for each section are outlined below. Each section must be filled out in its entirety with all of the supporting information requested. If any section is not applicable it should be so stated with a full explanation.

1. CERTIFICATION, PROJECT AND PRICING DATA

The Certification, Project and Pricing Data ("CPPD") document is a Microsoft Excel workbook that is provided on the website at www.cleanenergyrfp.com. The CPPD must be submitted as a working Microsoft Excel file. Parties may also submit a signed PDF in addition to the working Microsoft Excel file. The CPPD document has eight parts, listed below. If the bidder provides information in other sections of its proposal that conflicts with the information provided in the CPPD, the CPPD shall be considered to contain the governing and binding information for both the evaluation and any resulting contract offer.[20] The bidder may provide up to five different offers on terms and/or pricing (e.g., 10 year and 15 year) for the same facility, which should be submitted on a single CPPD. All bids must include the appropriate bid fees as described in the body of the RFP in section 1.6 or the bid will be considered not eligible for consideration.

Part I Guidelines and Instructions for completing the spreadsheet

Part II Proposal Certification Form and Contact Information

Part III Proposal Compliance, Bid Overview and Bid Fee

Information includes compliance descriptions, maximum delivery amount, term(s), products offered and bid fee

Part IV Eligible Facility Summary Information

Information includes dates, various amounts, location and delivery point applicable to new facilities, information for facilities under a Firm PPA or a balancing resource, and information associated with a Delivery Commitment

Part V Operational Information

Information for hourly generation profiles (aka 12 X 24 profiles), monthly adjustment factors and an informational table which converts the hourly profile into monthly generation amounts prior to applying the monthly adjustment factors..

[20] One exception is that if operational information in Part V of the CPPD conflicts with information elsewhere in the proposal or information otherwise known the energy production information in Part V of the CPPD may be modified in conducting the price evaluation.

Part VI Pricing Information

Information includes peak and off-peak energy prices and REC prices by contract year. Included are inputs for five conforming offers and one alternative pricing offer.

Part VII ISO-NE Forward Capacity Market

Information associated with a facility's expected status in the capacity market.

Part VIII Contract Information

Information to be used in various parts of a PPA.

2. EXECUTIVE SUMMARY OF THE PROPOSAL (INCLUDING THE BASE PROPOSAL AND ANY ALTERNATIVE PROPOSALS)

The bidder is required to provide an executive summary of the project proposal that includes a complete description of the proposed project, the proposed contract term and pricing schedule, and other factors the bidder deems to be important.

3. OPERATIONAL PARAMETERS

3.1 Maintenance Outage Requirements – Specify partial and complete planned outage requirements in weeks or days. Also, list the number of months required for the cycle to repeat (e.g., list time interval of minor and major overhauls, and the duration of overhauls). (Not applicable for bids for Firm Qualified Clean Energy from a Large Scale Hydro Resource)

3.2 Operating Constraints – Specify all the expected operating constraints and operational restrictions for the project (i.e., limits on the number of hours a unit may be operated per year or unit of time). (Not applicable for bids for Firm Qualified Clean Energy from a Large Scale Hydro Resource)

3.3 Reliability – Describe how the proposal would provide enhanced electricity reliability within the States of Connecticut, Massachusetts and Rhode Island, including its impact on transmission constraints.

3.4 Moderation of System Peak Load – Describe how the proposal would contribute to moderating system peak load requirements. If the project is an intermittent resource, please provide the following information:

i) Estimated average output for each summer period (June- September) from 1:00 - 6:00 pm

ii) Estimated average output for each winter period (October-May) from 5:00 – 7:00 pm

3.5 Development Stage of Facility – Describe whether the project is in operation, in construction or in the development phase.

(a) If in operation, when did the project achieve initial operation and commercial operation?

(b) If in construction, when did construction commence and what are the projected dates for initial testing commercial operation.

(c) If the project is partly in one development stage and partly in another, please explain in detail the status of the project.

If the proposed project is an expansion, repowering, environmental investment or other modification of an existing Facility, please describe the project in detail, the total cost and cost on a $/kW basis specifying the existing project and the proposed expansion, repowering or other modification. Indicate any incremental or decremental capacity.

4. ENERGY RESOURCE PLAN

For Eligible Facilities, the bidder is required to provide an energy resource or fuel supply plan for its proposed project, including supporting documentation. The fuel supply/energy resource profile information should be consistent with the type of technology/resource option proposed and the term proposed. The information requested is organized according to the type of project or energy resource. Bidders should respond only to relevant questions.

Wind Energy Projects

Provide a summary of all collected wind data for the proposed site. Identify when the data was collected and by whom.

Indicate where the data was collected and its proximity to the proposed site. Include an identification of the location and height for the anemometers that were used to arrive at an assessment of the site generation capability.

Provide (a) at least one year of hourly wind resource data, or (b) a wind resource assessment report from a qualified resource assessment firm or meteorologist, or (c) both. Include an analysis of the available wind data which addresses the relationship

between wind conditions and electrical output. Provide a projection of net annual energy production, including projections of average net hourly energy production, based on the wind resource data (a 12 x 24 energy projection).

Provide a site-adjusted power curve. Each curve should list the elevation, temperature and air density used.

Identify the assumptions for losses in the calculation of projected annual energy production, including each element in the calculation of losses.

Landfill Gas

Provide a gas production forecast for each landfill. Provide a table that shows the annual, monthly and hourly projection of gas flow and energy export from each landfill.

Provide supporting data that illustrates the expected generation from each landfill based on the projected gas production.

Describe any contingencies or constraints that could affect the availability of fuel or the energy resource for the project and any contingency plans for meeting projected generation levels.

If the landfill gas is provided by pipeline, provide information related to gas pipeline delivery, including gas pipeline interconnection points of the landfills delivering the gas into the pipeline system.

Biomass

Describe specifically how the project will conform to: (1) Conn. Gen. Stat. Sec. 16-1(26) and Connecticut Public Act 13-303, *An Act Concerning Connecticut's Clean Energy Goals*, governing resources using biomass fuel, including how your fuel source complies with Conn. Gen. Stat. Sec. 16-1(26); (2) the Massachusetts biomass laws and regulations M.G.L. c. 25A, § 11F, and 225 CMR 14.00; and/or Chapter 39-26 of the Rhode Island General Laws.

Provide a resource assessment of available biomass fuel for the proposed project and its proximity to the project site.

Provide a plan for obtaining the biomass fuel, including a transportation plan.

Provide any contracts or letters of intent to acquire and transport the biomass fuel.

Demonstrate that projected energy output for the project over the term of the contract is consistent with the energy supply available.

Describe any contingencies or constraints that could affect the availability of fuel or the energy resource for the project and any contingency plans for meeting projected generation levels.

Solar

Provide an assessment of the available solar incidence or resource. Describe any trends in generation capability over time (i.e., annual decline rate of expected output).

Describe the methodology used to generate the projected generation and describe the in-house or consulting expertise used to arrive at the generation estimates.

Hydropower

Describe the project characteristics in terms of water flow (on a monthly basis) and head, and state the assumptions regarding seasonal variations, and a conversion of such flow into megawatts and megawatt-hours.

Provide monthly flow duration curves based upon daily stream flow records.

Identify if the project is run-of-river or has storage capability.

Specify if the project is new, or an expansion of an existing facility.

Specify if the energy would qualify as Tier I Renewable Generation. If the project already has Tier I certification, provide or reference the documentation providing such qualification. If the project does not have Tier I certification; (1) describe the actions proposed to be taken by the bidder to accomplish such qualification; or (2) describe how the project meets the requirements of Section 4 of the Connecticut Public Act 13-303 or Section 1(c) of Connecticut Public Act 15-107.

The bidder must disclose in its bid how they propose to certify that the environmental attributes are included with the energy delivered.

Fuel Cell

Describe how the natural gas for the Fuel Cell will be procured and whether its energy will be delivered on a firm or non-firm basis for the term of the agreement.

Provide supporting data that illustrates the expected generation from the fuel cell considering the need for restacking.

Other

Identification of fuel supply (if applicable).

What is the availability of the fuel supply?

Does the bidder have any firm commitments from fuel suppliers? If so, please provide a copy of any agreements with confidential information redacted if necessary.

5. FINANCIAL/LEGAL

Bidders are required to demonstrate the financial viability of their proposed project. Bidders should provide the following information:

5.1 Provide a description of the business entity structure of the bidder's organization from a financial and legal perspective, including any general and limited partners, officers, directors, managers, members and shareholders, involvement of any subsidiaries supporting the project, and the providers of equity and debt during project development. Provide an organization chart showing the relationship between the equity participants and an explanation of the relationships. For jointly owned facilities, identify all owners and their respective interests, and document the Bidder's right to submit a binding proposal.

5.2 For projects that include new facilities or capital investment, provide a description of the financing plan for the project, including construction and term financing. The financing plan should address the following:

i. Who will finance the project and how it will be financed

ii. The project's projected financial structure

iii. Expected sources of debt and equity financing

iv. Estimated construction costs

v. The projected capital structure

vi. Describe any agreements entered into with respect to equity ownership in the proposed project and any other financing arrangement.

In addition, the financing plan should address the status of the above activities as well as the financing of development and permitting costs. All bidders are required to provide this information.

5.3 Provide documentation illustrating the experience of the project sponsor in securing financing for projects of similar size and technology. For each project previously financed provide the following information:

i. Project name and location

ii. Project type and size

iii. Date of construction and permanent financing

iv. Form of debt and equity financing

5.4 For projects that include new facilities or capital investment, provide evidence that the bidder has the financial resources and financial strength to complete and operate the project as planned.

5.5 Provide copies of the most recent audited financial statement or annual report for each bidder for each of the past three years; including affiliates of the bidder (if audited statements are not available, unaudited statements are to be provided). Also, provide the credit ratings from Standard & Poor's and Moody's (the senior unsecured long term debt rating or if not available, the corporate rating) of the bidder and any affiliates and partners.

5.6 The bidder should demonstrate its ability (and/or the ability of its credit support provider) to provide the required security, including its plan for doing so.

5.7 Provide a description of any current or recent credit issues/ credit rating downgrade events regarding the bidder or affiliate entities raised by rating agencies, banks, or accounting firms.

5.8 Describe the role of the Federal Production Tax Credit or Investment Tax Credit (or other incentives) on the financing of the project.

5.9 Bidders must disclose any pending (currently or in the past three years) or threatened litigation or disputes related to projects developed, owned or managed by Bidder or any of its affiliates in the United States, or related to any energy product sale agreement.

5.10 What is the expected operating life of the proposed project?

5.11 For projects that include new facilities or capital investment, has the bidder already obtained financing, or a commitment of financing, for the project? Is such financing or financing commitment contingent on obtaining a long-term agreement, such as one that would be obtained if the bidder's proposal is accepted? If financing has not been obtained, explain how obtaining a long-term agreement as proposed will help you in obtaining financing for the proposed project or in obtaining more favorable terms for the financing of the proposed project.

5.12 State whether the bidder or its affiliates have executed agreements with respect to energy, RECs and/or capacity for the project (including any agreements that have been terminated) and provide information regarding the associated term and quantities, and whether bidder has been alleged to have defaulted under or breached any such agreement.

5.13 Description of Bidder and all affiliated entities and joint ventures transacting business in the energy sector.

5.14 Has Bidder, or any affiliate of Bidder, in the last five years, (a) consented to the appointment of, or was taken in possession by, a receiver, trustee, custodian or liquidator of a substantial part of its assets, (b) filed a bankruptcy petition in any bankruptcy court proceeding, (c) answered, consented or sought relief under any bankruptcy or similar law or failed to obtain a dismissal of an involuntary petition, (d) admitted in writing of its inability to pay its debts when due, (e) made a general assignment for the benefit of creditors, (f) was the subject of an involuntary proceeding seeking to adjudicate that Party bankrupt or insolvent, (g) sought reorganization, arrangement, adjustment, or composition of it or its debt under any law relating to bankruptcy, insolvency or reorganization or relief of debtors.

5.15 Briefly describe any known conflicts of interest between Bidder or an affiliate of Bidder and any Soliciting Party, or any affiliates of the foregoing.

5.16 Describe any litigation, disputes, claims or complaints involving the Bidder or an affiliate of Bidder, against any Soliciting Party or any affiliate of any Soliciting Party.

5.17 Describe any litigation, disputes, claims or complaints, or events of default or other failure to satisfy contract obligations, or failure to deliver products, involving Bidder or an affiliate of Bidder, and relating to the purchase or sale of energy, capacity or renewable energy certificates or products.

5.18 Confirm that Bidder, and the directors, employees and agents of Bidder and any affiliate of Bidder are not currently under investigation by any governmental agency and have not in the last four years been convicted or found liable for any act prohibited by State

or Federal law in any jurisdiction involving conspiracy, collusion or other impropriety with respect to bidding on any contract, or have been the subject of any debarment action (detail any exceptions).

5.19 Identify all regulatory and other approvals needed by Bidder to execute a binding sale agreement.

5.20 Describe how the project will conform to FERC's applicable regulatory requirements, including, but not limited to, FERC requirements relating to allocation of transmission capacity and open access, the justness and reasonableness of rates, the potential for undue preference or discrimination, and affiliate dealings, if any.

6. SITING, INTERCONNECTION, AND DELIVERABILITY

This section of the proposal addresses project location, siting, real property rights and interconnection issues. Bidders should ensure that the threshold criteria outlined in Section 2.2 of the RFP for generation and interconnection siting are verified in their responses.

6.1 Provide a site plan including a map of the site that clearly identifies the location of the Eligible Facility site and/or Transmission Project route, the assumed right-of-way width, the total acreage for Eligible Facilities, the anticipated interconnection point (or, if applicable, multiple points for a Transmission Project), and the relationship of the site to other local infrastructure, including transmission facilities, roadways, and water sources. In addition to providing the required map, provide a site layout plan which illustrates the location of all major equipment and facilities on the site.

6.2 Provide evidence (including applicable documentation) of the right to use the Eligible Facility site and/or Transmission Project route, including, for Eligible Facilities, and any rights of way needed for interconnection.

i. Does the project have a right to use the Eligible Facility site and/or Transmission Project route for the entire proposed term of the PPA or tariff (e.g., by virtue of ownership or land development rights obtained from the owner)?

ii. If so, please detail the Bidder's rights to control the Eligible Facility site and/or Transmission Project route control.

iii. Identify any real property rights (e.g., fee-owned parcels, rights-of-way, development rights or easements or leases) that are required for access to the Eligible Facility site and/or Transmission Project route or for interconnection. Describe the status of acquisition of real property rights, any options in place for the exercise of these rights and describe the plan for securing the necessary real

property rights, including the proposed timeline. Include these plans and the timeline in the overall project timeline.

6.3 Provide evidence that the Eligible Facility site and/or Transmission Project route is properly zoned or permitted. If the Eligible Facility site and/or Transmission Project route is not currently zoned or permitted properly, identify present and required zoning and/or land use designations and permits and provide a permitting plan and timeline to secure the necessary approvals.

6.4 Provide a description of the area surrounding the Eligible Facility site and/or Transmission Project route, including a description of the local zoning, flood plain information, existing land use and setting (woodlands, grasslands, agriculture, other).

6.5 For Eligible Facilities, describe and provide a map of the proposed interconnection that includes the path from the generation site to the ISO-New England Pool Transmission Facilities ("PTF"). Describe how the bidder plans to gain interconnection site control.

6.6 Please describe the status of any planned interconnection to the grid. Has the bidder made a valid interconnection request to ISO New England Inc. ("ISO-NE"), the applicable New England Transmission Owner, or any neighboring control areas? Describe the type of interconnection service requested, i.e., Capacity Network Resource Interconnection Service, Capacity Network Import Interconnection Service or Network Resource Interconnection Service or Network Import Service.

6.7 Describe the Project's electrical system performance and its impact to the reliability of the New England Transmission system. For Transmission Projects provide a description of how the project would satisfy ISO NE's I.3.9 requirements. Provide the status of any interconnection studies already underway with ISO-NE and/or the transmission owner. Provide a copy of any studies completed to date. Provide a copy of an interconnection agreement, if any, executed by the bidder with respect to the proposed project. If an interconnection agreement has not been executed, please provide the steps that need to be completed before an interconnection agreement can be executed and the associated timeline.

6.8 Provide the electrical models of all energy resources supporting the proposed project in accordance with the filing requirements of the ISO-NE Tariff Schedule 22 and 23.

6.9 Provide a copy of an electrical one-line diagram showing the interconnection facilities and the relevant facilities of the transmission provider.

6.10 Specify and describe the current or new interconnection facilities (lines, transformers, switching equipment, system control protection, etc.) that bidder owns or is intending to construct or have constructed in order to deliver the proposed energy.

6.11 Incremental data requirements for Projects that include Transmission facilities;

1. IDV file(s) in PSSE v32 format modeling only the new/modified Transmission components of the project.

2. If the Bidder does not use PSSE, provide in text format necessary modeling data as follows:

- Line Data: Voltage/Thermal Ratings/Impedances (r, X and B)/Line Length/to and from bus numbers and names

- Transformer data: (including Phase shifting transformers if applicable): Terminal Voltages/Thermal Ratings/Impedance/To and from bus numbers and names

- Reactive compensation models as necessary

- Other changes to the model that would occur due to a Project such as terminal changes for lines/transformer/generator leads/loads etc.

7. ENVIRONMENTAL ASSESSMENT, PERMIT ACQUISITION PLAN AND TIER 1 CERTIFICATION

This section addresses environmental and other regulatory issues associated with project siting, development and operations.

7.1 Provide a list of all the permits, licenses, and environmental assessments and/or environmental impact statements required. If a bidder has secured any permit or has applied for a permit, please identify in the response.

i. Provide a list of all Federal, state and local permits, licenses, and environmental assessments and/or environmental impact statements required to construct and operate the project.

ii. Identify the governmental agencies that will issue or approve the required permits, licenses, and environmental assessments and/or environmental impact statements.

7.2 Provide the anticipated timeline for seeking and receiving the required permits, licenses, and environmental assessments and/or environmental impact statements. Include a project approval assessment which describes, in narrative form, each segment of the

process, the required permit or approval, the status of the request or application and the basis for projection of success by the milestone date. All requirements should be included on the project schedule in Section 10.

7.3 Provide a preliminary environmental assessment of the site and project, including both construction and operation, as applicable. In addition, the bidder should identify environmental impacts associated with the proposed project, any potential impediments to development, and its plan to mitigate such impacts or impediments. The analysis should address each of the major environmental areas presented below, as applicable to the proposed project:

i. Impacts during site development

ii. Transportation infrastructure

iii. Air quality impacts

iv. Access to water resources/water quality impacts

v. Ecological and natural resources impacts

vi. Land use impacts

vii. Cultural resources

viii. Previous site use (e.g., greenfield, brownfield, industrial, etc.)

ix. Noise level impacts

x. Aesthetic/visual impacts

xi. Transmission infrastructure impacts

xii. Fuel supply access, where applicable

7.4 Provide documentation identifying the level of public support for the project including letters from public officials, newspaper articles, etc. Include information on specific localized support and/or opposition to the project of which the bidder is aware. Provide copies of any agreements with communities and other constituencies impacted by the project, and a plan for community outreach activities, and discuss the status of that plan.

7.5 For bids that include Tier 1 Qualified Clean Energy, provide documentation demonstrating that the project was or will be qualified as a Tier 1 Class I renewable energy source under Conn. Gen. Stat. Section 16-1(20) as amended by Connecticut Public Act 13-303; M.G.L. c. 25A, § 11F, and 225 CMR 14.00; and/or R.I.G.L. § 39-26-1 and Rules and Regulations Governing the Implementation of a Renewable Energy Standard. If the facility is already in operation, please indicate when the facility received such qualification.

7.6 Identify any existing, preliminary or pending claims or litigation, or matters before any federal agency or any state legislature or regulatory agency that might affect the feasibility of the project or the ability to obtain or retain the required permits for the project.

8. ENGINEERING AND TECHNOLOGY; COMMERCIAL ACCESS TO EQUIPMENT

This section includes questions pertinent to the engineering design and project technology. This section must be completed for a project that includes new facilities or capital investments. Bidders should provide information about the specific technology or equipment including the track record of the technology and equipment and other information as necessary to demonstrate that the technology is viable.

8.1 Provide a reasonable but preliminary engineering plan which includes the following information:

i. Type of generation technology, if applicable

ii. Major equipment to be used

iii. Manufacturer of the equipment

iv. Status of acquisition of the equipment

v. Whether the bidder has a contract for the equipment. If not, describe the bidder's plan for securing equipment and the status of any pertinent commercial arrangements

vi. Equipment vendors selected/considered

vii. History of equipment operations

viii. If the equipment manufacturer has not yet been selected, identify in the equipment procurement strategy the factors under consideration for selecting the preferred equipment

8.2 If the bidder has not yet selected the major generation equipment for a project, please provide a list of the key equipment suppliers under consideration.

8.3 Please identify the same or similar equipment by the same manufacturer that are presently in commercial operation including the number installed, installed capacity and estimated generation for the past three years.

8.4 For less mature technologies, provide evidence (including identifying specific applications) that the technology to be employed for energy production is ready for transfer to the design and construction phases. Also, address how the status of the technology is being considered in the financial plan for the project.

8.5 Please indicate if the bidder has secured its equipment for the project. If not, identify the long-lead equipment options and describe the timing for securing equipment.

9. OPERATION AND MAINTENANCE

Projects that can demonstrate that the operation and maintenance ("O&M") plan, level of funding, and mechanism for funding will ensure reliable operations during the term of the contract or the tariff are preferred.

9.1 Provide an O&M plan for the project that demonstrates the long term operational viability of the proposed project. The plan should include a discussion of the staffing levels proposed for the project, the expected role of the project sponsor or outside contractor, scheduling of major maintenance activity, and the plan for testing equipment.

9.2 Describe in detail the proposed O&M funding mechanism and funding levels to support planned and unplanned O&M requirements.

9.3 Describe the terms (or expected terms) of the warranties and/or guarantees on major equipment that the bidder is utilizing or proposing to utilize.

9.4 Describe the status of the project sponsor in securing any O&M agreements or contracts. Include a discussion of the sponsor's plan for securing a medium-term or long-term O&M contract, including the expected provider of O&M services.

9.5 Provide examples of the bidder's experience with O&M services for other similar projects.

10. PROJECT SCHEDULE

For Eligible Facilities or Transmission Projects that are not yet in-service, bidders are required to provide a complete critical path schedule for the project from the notice of selection of the project for contract consideration to the start of commercial operations. For each project element, list the start and end date.

10.1 Identify the elements on the critical path. The schedule should include, at a minimum, facility contracts, start of construction, construction schedule, siting, fuel supply, financing, engineering and procurement, acquisition of real property rights, Federal, state and/or local permits, licenses, environmental assessments and/or environmental impact statements (including anticipated permit submittal and approval dates) and any other requirements that could influence the project schedule and the commercial operation date, including requirements pertaining to the generator interconnection process and any transmission facilities for which the bidder seeks recovery through federal transmission rates.

10.2 Detail the status of all critical path items.

11. PROJECT MANAGEMENT/EXPERIENCE

Bidders are required to demonstrate project experience and management capability to successfully develop (for a project that includes new facilities or capital investment) and operate the project proposed. The Soliciting Parties are particularly interested in project teams that have demonstrated success in projects of similar type, size and technology and, for projects that include new facilities or capital investment, can demonstrate an ability to work together effectively to bring the project to commercial operation in a timely fashion.

11.1 Provide an organizational chart for the project that lists the project participants and identifies the corporate structure, including general and limited partners.

11.2 For a project that includes new facilities or capital investment, provide statements that list the specific experience of the bidder and each of the project participants (including, when applicable, the bidder, partners, EPC contractor and proposed contractors), in developing, financing, owning, and operating generating or transmission facilities (as applicable), other projects of similar type, size and technology, and any evidence that the project participants have worked jointly on other projects.

11.3 For a bid that includes existing facilities, provide statements that list the specific experience of the bidder and each of the project participants (including, when applicable, the bidder, partners, EPC contractor and proposed contractors), in owning and operating generating or transmission facilities (as applicable), other projects of

similar type, size and technology, and any evidence that the project participants have worked jointly on other projects.

11.4 Provide a management chart that lists the key personnel dedicated to this project and provide resumes of the key personnel. For Eligible Facilities or Transmission Projects that are not yet in-service, key personnel of the bidder's development team having substantial project management responsibilities must have:

i. Successfully developed and/or operated one or more projects of similar size or complexity or requiring similar skill sets; AND

ii. For a project that includes new facilities or capital investment, experience in financing one or more projects of a similar size and complexity (or have the financial means to finance the project on the bidder's balance sheet).

11.5 Provide a listing of all projects the project sponsor has successfully developed or that are currently under construction. Provide the following information as part of the response:

i. Name of the project

ii. Location of the project

iii. Project type, size and technology

iv. Commercial operation date

v. Estimated and actual capacity factor of the project for the past three years

vi. Availability factor of the project for the past three years

vii. References, including the names and current addresses and telephone numbers of individuals to contact for each reference.

11.6 With regard to the bidder's project team, identify and describe the entity responsible for the following, as applicable:

i. Construction Period Lender, if any

ii. Operating Period Lender and/or Tax Equity Provider, as applicable

iii. Financial Advisor

iv. Environmental Consultant

v. Facility Operator and Manager

vi. Owner's Engineer

vii. EPC Contractor (if selected)

viii. Transmission Consultant

ix. Legal Counsel

11.7 Provide details of the bidder's experience in ISO-NE Markets. With regard to bidder's experience with ISO-NE markets, please indicate the entity that will assume the duties of Lead Market Participant for your Project. Please provide a summary of the proposed Lead Market Participant's experience with each of the ISO-NE markets.

12. EMISSIONS

12.1 For existing generation facilities, provide emissions estimates based on available continuous emissions monitoring data. Where continuous emissions monitoring data is not available, provide emissions estimates based on the most recent stack emissions test conducted using an EPA reference method approved by the applicable permitting and enforcement authority. Where continuous emissions data or actual stack emissions test data are not available, provide emissions estimates based on emissions factors from the latest edition of EPA's AP-42, Compilation of Air Pollutant Emissions Factors.

For new generation facilities, provide emissions estimates based on available data from the unit manufacturer. Alternatively, provide actual emissions data determined in accordance with the paragraph above for a similar facility built within the past 3 years. Include copies of supporting documentation for all emissions estimates.

Project Anticipated Emissions, expressed in pounds/megawatt-hour (lbs./MWh)

Source of Information	Date of Test (if applicable)	Greenhouse Gases (all except methane) Expressed as Carbon Dioxide	Nitrogen Oxides (NOx)	Sulfur Oxides (SOx)	Carbon Monoxide (CO)	Particulate Matter ($PM_{2.5}$)	Methane (CH_4)

		equivalent (CO_2e)					

12.2 Describe any past investments that will, or have been made to your facility to improve its emissions profile or any planned future investments made to your facility in order to improve its emissions profile. Pollutant specific emissions improving technologies include, but are not limited to:

- NOx – Selective/Non-Selective Catalytic Reduction
- SOx – wet/dry scrubbers
- PM – fabric filter/bag house, electrostatic precipitator, cyclone separator
- CO – oxidation catalyst

Investments that improve overall emissions include, but are not limited to:

- equipment tune-ups (improves combustion efficiency and emissions)
- boiler tube replacements (improves heat transfer efficiency and reduces fuel use)
- other efficiency improvements (*e.g.,* installing a heat exchanger to use waste heat to pre-heat feed water to the boiler)

Include control equipment specifications, date(s) of installation, expected life of equipment, benefits gained from the addition of such equipment, etc.

12.3 Describe how your project will contribute to (i) Connecticut's goals under Connecticut Public Act 08-98, *An Act Concerning Connecticut Global Warming Solutions* (2008),

codified in Section 22a-200a of the Connecticut General Statutes; (ii) the Massachusetts 2008 Global Warming Solutions Act (GWSA) and the 2010 Clean Energy and Climate Plan for 2020. Describe how your project will contribute both to the short term 2020 goal, and longer term 2050 goal found in these laws. And (iii) Rhode Island's purposes under Chapter 39-31

13. CONTRIBUTION TO EMPLOYMENT AND ECONOMIC DEVELOPMENT AND OTHER DIRECT AND INDIRECT BENEFITS

13.1 Please provide an estimate of the number of jobs to be created directly during project development and construction (for a project that includes new facilities or capital investment), and during operations, and a general description of the types of jobs created, estimated annual compensation, the employer(s) for such jobs, and the location. Please treat the development, construction, and operation periods separately in your response.

13.2 Please provide the same information as provided in response to question 13.1 above but with respect to jobs that would be indirectly created as a result of the proposed project.

13.3 Please describe any other economic development impacts (either positive or negative) that could result from the proposed project, such as creating property tax revenues or purchasing capital equipment, materials or services for New England businesses. Please provide the location(s) where these economic development benefits are expected to occur.

13.4 To the extent not already specified elsewhere in your response, please address the factors listed in Section 2.3.2.1 and describe any benefits or impacts associated with the proposed project.

14. ADDITIONAL INFORMATION REQUIRED FOR TRANSMISSION PROJECTS

Bids that include Transmission Projects must also provide the following information:

14.1 The following information regarding the proposed new Transmission Project:

i. Overall project description
ii. The operating voltage of the proposed project
iii. The type of structures (such as steel towers or poles) that would be used for the proposed project
iv. The length of the proposed transmission line and the type(s) of terrain and land ownership of the proposed ROW

v. The substation facilities (number of breakers, transformers, etc.) required at each terminal of the proposed project and information as to how the new facilities would interconnect to any existing facilities.

vi. The estimated costs of the proposed project broken out into separate categories for transmission facilities and substation facilities in nominal year dollars.

vii. Provide a proposed schedule for project development through release for operation that includes, as a minimum, key critical path items such as:

a. Develop contracts for project work;
b. Permitting; R/W and land acquisition;
c. Engineering and design;
d. Material and equipment procurement;
e. Facility construction;
f. Agreements (interconnection, operating, scheduling, etc.) with other entities;
g. Pre-operations testing;
h. Project in-service date;
i. Other items identified by the bidder.

14.2 The proposed payment required.

i. If the proposed payment may change during the contract term, then the Eligible Bidder must also provide the method that transmission owner shall use to determine the payment for the Transmission Project under the transmission Rate Schedule or Tariff and Service Agreement to be filed with FERC. If the proposed payment is a formula rate, the Eligible Bidder must also provide the formula and its proposed inputs that the transmission owner will file with FERC.

ii. If the proposed payment is based on the Transmission Project's cost of service and may change during the contract term based on changes in the cost of service, a full revenue requirements model submitted as a working Excel spreadsheet with the formulas intact. All assumptions must be detailed as follows:

a. Provide the capital cost estimate presented as a buildup of costs by category, such as environmental, engineering, civil works, materials, equipment, construction, construction management, physical and price contingencies, allowance for funds used during construction (AFUDC), and all other categories for which recovery under FERC would be sought. These categories are illustrative; aggregate costs into the categories

most relevant to the development of the proposed project. All costs should be provided in nominal dollars.

b. For projects with transmission and substation components, separate the costs into two rows (e.g. use one row for substation construction and a second for transmission construction). Describe the detailed financial plan on a monthly basis during the construction period, e.g., for 3 years or as long as necessary. The plan should present the costs and financial outlays in each month of the construction period, and the corresponding sources of financing (equity contribution and debt drawdown). Data should include an estimate of the cost of both physical and price contingencies during the construction period. The financing plan should indicate the ability to finance the construction of the proposed project under base case and contingency scenarios.

c. Describe the proposed financing sources and instruments:

    i. Sources of funds for construction and working capital - include name of entity providing debt financing, loan amounts, interest rates, repayment period, grace period during construction; and equity provided by project sponsor,

    ii. Sources of funds for unexpected repairs or replacement construction during the operating period, e.g., replacement of tower. Note: the operating period is the applicant's estimate of the useful life or accounting life of the transmission project element(s).

d. Provide the annual revenue requirement forecasts for the project – including assumptions. Provide a draft version of the revenue requirement calculation in a format that is similar to what would be included in the Rate Schedule or Tariff and Service Agreement application to FERC, indicating the forecast revenue requirement amounts and all assumptions used in the calculations. This should include but not be limited to the assumptions regarding rate of return, depreciation life, split between debt and capital, AFUDC and weighted cost of capital, and a detailed estimate of the anticipated average annual operating and maintenance cost

iii. If the pricing proposed is based on cost of service, detailed cost containment commitments such as fixed price components, cost overrun restrictions, or other

cost bandwidth provisions that are proposed to limit ratepayer risk must be clearly defined.

14.3 The schedule of the payments defined in 14.2 above including when the payments will commence, how often payments will be required and the length of time over which payments will be required. In no event may payments commence before the Transmission Project is placed in service.

14.4 The design life of the project.

14.5 If the bidder is proposing the use of a Performance-Based Tariff in connection with the Delivery commitment model, the bidder is required to state the proposal for liquidated damages to compensate the buyer and to keep it financially whole for non-Delivery.

14.6 If the bidder is proposing the use of a Performance-Based Tariff in connection with the Delivery commitment model, the bidder is required to provide details of the source and reliability of the Qualified Clean Energy supply along with the rights and ownership of that energy.

14.7 A description of the reliability benefits of the proposed Transmission Project and its impact on existing transmission constraints.

14.8 For the Delivery commitment model, please describe the process for the transfer of the environmental attributes associated with the Qualified Clean Energy Delivery Commitment.

15. EXCEPTIONS TO FORM PPA

Please attach an explanation of any exceptions to the Form PPA set forth in Appendix C to this Notice, including any specific alternative provisions in a redline format to the Form PPA.

Bidders are discouraged from proposing changes to the Form PPA.

APPENDIX C - 1

Form of Class 1 Power Purchase Agreement

[See Separate Document]

APPENDIX C - 2

Form of Power Purchase Agreement

[Use Only For Firm Bids of Qualified Clean Energy from a Hydropower Resource – Connecticut Eligibility Only]

[See Separate Document]

APPENDIX D
Certification

A proposal will be considered incomplete unless all required signatures are provided.

The undersigned certifies that he or she is an authorized officer or other authorized representative of the Bidder, and further certifies that: (1) the Bidder has reviewed this RFP and all attachments and has investigated and informed itself with respect to all matters pertinent to this RFP and its proposal; (2) the Bidder's proposal is submitted in compliance with all applicable federal, state and local laws and regulations, including antitrust and anti-corruption laws; and (3) the Bidder is bidding independently and has no knowledge of non-public information associated with a proposal being submitted by another party in response to this RFP other than: (a) a response submitted (i) by an affiliate of bidder or (ii) for a project where bidder is also a project proponent or participant, which in each case must be disclosed in writing to the Evaluation Team with each such bidder's or affiliated bidder's proposal; or (b) a submission of multiple bids for the same Qualified Clean Energy as discussed in Section 1.2; (4) the Bidder has no knowledge of any non-public information associated with the development of this RFP; and (5) the Bidder's proposal has not been developed utilizing knowledge of any non-public information associated with the development of this RFP.

The undersigned further certifies that the prices, terms and conditions of the Bidder's proposal are valid and shall remain open for at least 270 days from the submission date.

The undersigned further certifies that he or she has personally examined and is familiar with the information submitted in this proposal and all appendices thereto, and based on reasonable investigation, including inquiry of the individuals responsible for obtaining the information, the submitted information is true, accurate and complete to the best of the undersigned's knowledge and belief.

The undersigned understands that a false statement or failure to disclose material information in the submitted proposal may be punishable as a criminal offense under applicable law. The undersigned further certifies that that this proposal is on complete and accurate forms as provided without alteration of the text.

_____
Bidder or Bidder's Authorized Representative

_____
Print or Type Name

_____
Project Title(s) as Submitted to the Soliciting Parties

_____
Title Date

APPENDIX E

- **Overview of the Qualified Clean Energy via Transmission Project Under a Performance-Based Tariff Containing a Qualified Clean Energy Delivery Commitment Model.** The Qualified Clean Energy via Transmission Project Under a Performance-Based Tariff Containing a Qualified Clean Energy Delivery Commitment model is designed to be a variant on more traditional transmission funding and energy procurement models intended to achieve the Procuring States' clean energy and environmental statutory requirements and goals, including renewable portfolio standard ("RPS") requirements. Under the model, electric distribution companies ("EDCs") in the Procuring States will pay all or part of the cost of the development of new transmission facilities constructed to facilitate the delivery of clean energy in New England.

- The model is an alternative to both traditional power purchase agreements ("PPA") as a means of procuring clean energy generation and an alternative to typical transmission service agreements ("TSAs") for financing the construction of Transmission Projects to deliver Qualified Clean Energy. Consistent with the definition in Section 1.2.1, the Transmission Project may include significant new AC or DC lines or facilities, or significant upgrades to existing lines or facilities. A bid for Qualified Clean Energy via Transmission Project Under a Performance-Based Tariff Containing a Qualified Clean Energy Delivery Commitment does not require a proposal for point-to-point transmission service, but bids proposing point-to-point service in appropriate circumstances may be submitted. The objective of any proposed Transmission Project under this model should be for Delivery of incremental Qualified Clean Energy. Under the first option for implementing this model (Model A), a transmission developer, likely teamed with a supplier of clean energy (which could be a separate entity from the transmission developer), would build, if selected through an RFP process, a Transmission Project for which cost recovery from load in participating states would be dependent on and in proportion to the fulfillment of a "Qualified Clean Energy Delivery Commitment" tied to a supplier's resource. The transmission

tariff between the EDCs and transmission developer establishing these arrangements would be filed at FERC by the transmission developer.

- Under and alternate approach ("Model B"), acceptable to some but not all of the Soliciting Parties,[21] The supplier could enter into arrangements with the EDC to pay for the transmission necessary to enable the supplier to flow energy to the ISO-NE energy market. This transmission payment arrangement would be filed at FERC by the supplier. The arrangement for the delivery commitment would require supplier to enter into (or demonstrate) appropriate transmission arrangements for transmission service necessary to fulfill the delivery commitment.

- The "Qualified Clean Energy Delivery Commitment" would be a commitment for the Delivery of a defined minimum number of MWh per year (or other defined period) of Incremental Qualified Clean Energy from a defined supplier resource into the ISO-NE system in real-time at a defined system node. "Delivery" of the Qualified Clean Energy Delivery Commitment shall satisfy the definition in Section 1.2.1 of the RFP.

- As noted above, the transmission developer's (or supplier's, in the case of Model B) ability to recover the transmission project costs from the EDC load in Procuring States would be dependent on and in proportion to the fulfillment of the Qualified Clean Energy Delivery Commitment. Under Model A, any failure to perform on the part of the clean energy supplier will be a matter strictly between

[21] National Grid does not intend to select any Qualified Clean Energy via Transmission Project Under a Performance-Based Tariff Containing a Qualified Clean Energy Delivery Commitment bid proposals under "Model B." National Grid will consider bid proposals for Qualified Clean Energy via Transmission Project Under a Performance-Based Tariff Containing a Qualified Clean Energy Delivery Commitment where the relevant portion of the capacity of a proposed Transmission Project is associated with a Model A proposal even if the remaining portion of the proposed Transmission Project's capacity is associated with a Model B bid proposal.

the supplier and the transmission developer; the EDCs will have no contractual relations with the supplier, nor bear any risk of supplier non-performance. Under Model B as well, the EDCs will accept no risk of supplier non-performance. Under Models A and B, liabilities, rights, and duties, as between the transmission developer and the clean energy supplier are solely their responsibility. (Such responsibilities might be arranged via contract, tariff, or other arrangement acceptable to the transmission developer and clean energy supplier, as discussed further below.).

- Market settlement for Delivery under the Qualified Clean Energy Delivery Commitment model will be the responsibility of the supplier and will follow ISO-NE processes. ISO-NE market settlement data will be used to measure fulfillment of the Qualified Clean Energy Delivery Commitment. ISO-NE will exercise operational control of any Transmission Projects in New England proposed under this model in accordance with an appropriate operating agreement between ISO-NE and the transmission developer.

- Figure E-1 “Option A” shows the contemplated relationships among the various entities with the EDC entering into agreements with the transmission developer. Figure E-2 “Option B” shows the contemplated relationships among the various entities with the EDC entering into agreements with the energy supplier. Specific arrangements with ISO-NE will need to be determined with the ISO-NE.

Figure E-1: Delivery Commitment Model "Option A"

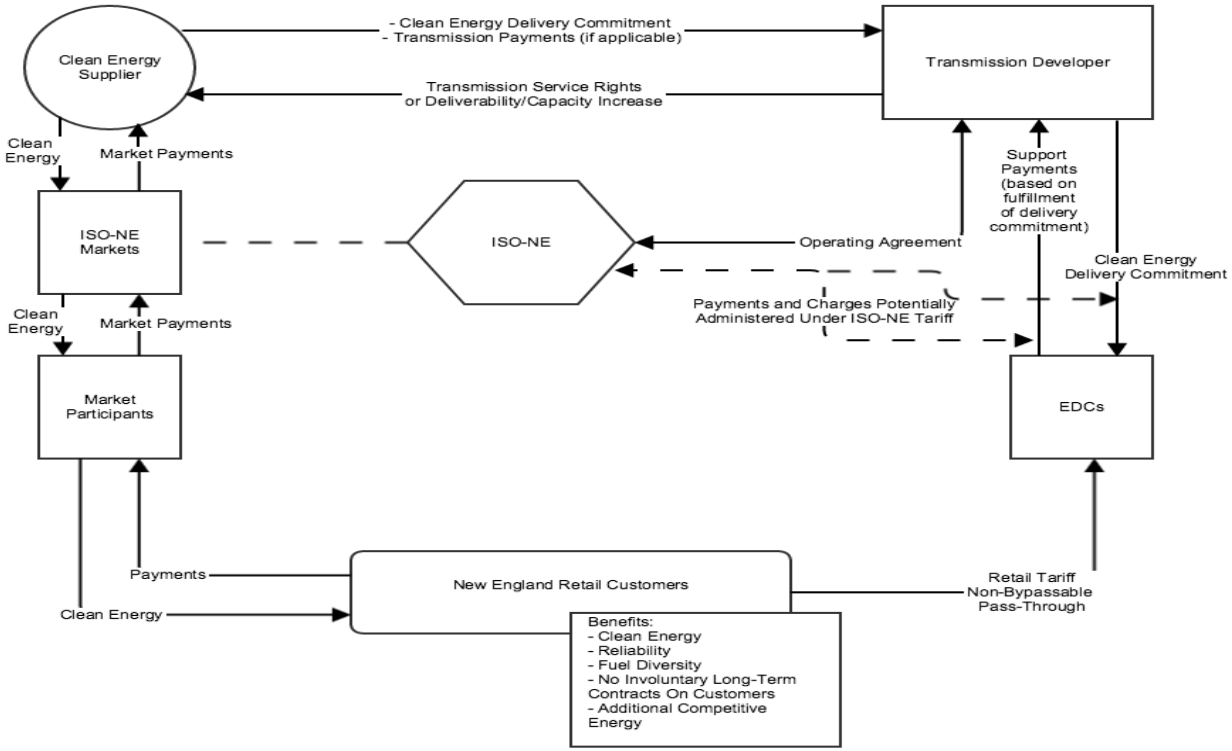
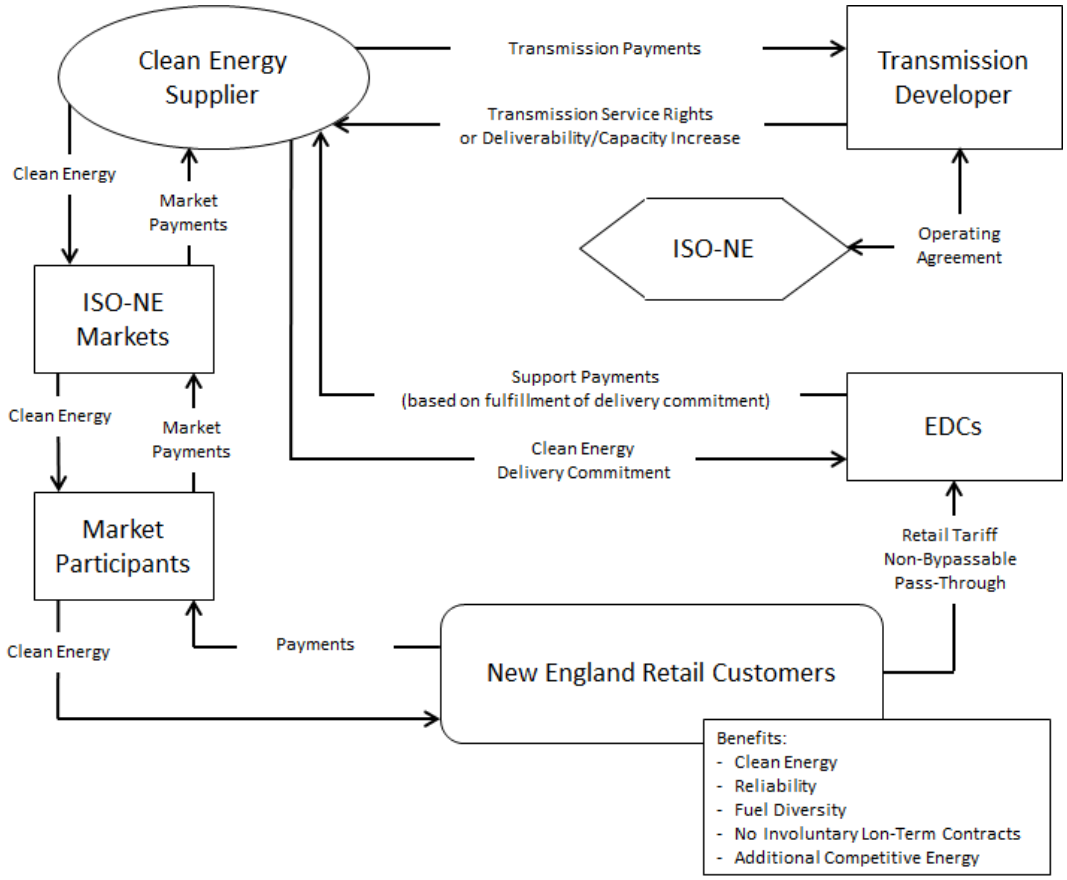


Figure E-2: Delivery Commitment Model "Option B"



Contractual Framework

- The Qualified Clean Energy Delivery Commitment model contractual framework could vary depending on whether the selected supplier is the same entity as the transmission developer, and depending on which entity enters into arrangements with the EDC. If there are separate entities, two related FERC-filed agreements could be used:

(1) **The Transmission Developer Performance Based Tariff**

This Performance Based Tariff would recover the transmission revenue requirement through the EDCs and other load-serving entities in the participating New England states.

Under the Performance Based Tariff, the EDCs would only be obligated to pay the transmission developer or (under Model "B") energy supplier, through non-bypassable FERC approved transmission charges collected from all end use customers, the accepted bid price, perhaps billed by ISO-NE, in exchange for the transmission developer's agreement to build the Transmission Project and effect the Delivery of Qualified Clean Energy.

The obligation of the EDCs to collect and pay the accepted bid price would be reduced in any year/period following a year/period in which the clean energy delivery commitment had not been fully met. The Performance-Based Tariff would provide for a partial or full credit against the price that the EDCs would otherwise pay during such a year/period. (As noted below, the transmission developer and supplier could negotiate between themselves for any other arrangements they might require, such as a right to receive liquidated damages if their respective commitments are not fully satisfied.)

The EDC's obligations under the Performance-Based Tariff would terminate in the event that Delivery of an agreed minimum amount of the Qualified Clean Energy was not made during a specified period.

The Performance-Based Tariff would need to be filed with FERC.

As examples only, provisions which could be added within the framework of any formula rate sheet to incorporate this model are shown in the attachment at the end of this overview.

(2) **The Supplier/Transmission Developer Agreement**

This contract would be between the supplier and the transmission developer. It would set forth the terms and conditions of the agreed arrangements between the transmission developer and the supplier for the Transmission Project and associated Qualified Clean Energy Delivery Commitment. The EDCs/load would have no direct rights or responsibilities flowing therefrom.

For example, the arrangements between the transmission developer and the supplier tied to the Qualified Clean Energy Delivery Commitment could be conditioned on either: (i) the developer providing the supplier with no cost transmission service on the developer's Project, or (ii) the agreement of the developer to build a Transmission Project consisting of or including specific transmission upgrades to relieve congestion within the New England system to allow a less constrained dispatch of the supplier's existing or planned resource.

Also, the supplier could retain full discretion regarding: (i) the prices at which it offers to supply electric energy and other electricity products into the ISO New England markets; (ii) which electricity products to supply, as long as the supplied products satisfy the minimum Delivery commitment and Qualified Clean Energy criteria, and (iii) the purchaser to which it supplies those products. The supplier would retain the revenues from these sales.

Under Model A, the supplier and transmission developer might agree to a specified amount of liquidated damages to be paid to the transmission developer following any year/period when the supplier does not fully meet its Qualified Clean Energy Delivery Commitment. Or, the transmission developer could charge a rate that would be set equal to any credit paid by the transmission developer to EDCs under the Performance-Based Tariff for any failure of the supplier to meet its Qualified Clean Energy Delivery Commitment. Other arrangements may be put in place under Model B.

Depending on the specific terms, the supplier agreement with the transmission developer may need to be filed with FERC for approval as an agreement related to wholesale power sales or transmission service.

Other Characteristics

- The EDCs will require full recovery of all payments they make under Qualified Clean Energy via Transmission Project Under a Performance-Based Tariff Containing a Qualified Clean Energy Delivery Commitment arrangements as non-bypass-able FERC approved transmission charges from all end use customers. The EDCs will work with the Procuring States to confirm that appropriate mechanisms for recovering such costs from end-use customers are in place under applicable state law.

- No generation charges may be compensated, either directly or indirectly, in the transmission charge payments made by the EDCs under any Qualified Clean Energy via Transmission Project Under a Performance-Based Tariff Containing a Qualified Clean Energy Delivery Commitment arrangement. It will be the bidder's responsibility to verify and provide assurances that all Renewable Energy Credits ("RECs") and other environmental attributes associated with the Qualified Clean Energy Delivered under the Qualified Clean Energy Delivery Commitment Model are available for use within the New England balancing authority area and are not being counted as environmental attributes in another balancing authority area (i.e., double counted).

- The Transmission developer will be responsible for entering into any separate agreements needed with ISO-NE concerning such matters as operational control of the Transmission Project, settlement and billing, etc. Rules, policies, practices, and definitions relating to transmission, delivery, congestion, priority, and other matters arising from implementation of the Qualified Clean Energy Delivery Commitment model will be as specified in the ISO-NE tariff and operating manuals unless specific provisions to the contrary are agreed and approved in the agreements, Rate Schedules, and Tariffs implementing the Qualified Clean Energy Delivery Commitment Model.

- Aspects of these arrangements would require FERC approval, but the Procuring States will be involved in establishing the initial terms of the delivery commitment arrangements and, together with the EDCs, will retain final discretion over whether or not to proceed with any Qualified Clean Energy Delivery Commitment model arrangements after FERC review.

- Preference will be given to Qualified Clean Energy Delivery Commitment model bid proposals that contain significant and effective cost containment provisions and provisions protecting load from cost overruns and other risks.

- Qualified Clean Energy Delivery Commitment model bids should include information on benefits to load over a 20-year period, as certain state entities have indicated an intention to evaluate production cost benefits over no more than a 20-year period. Bids may include information on additional benefits both within and beyond this 20-year period.

- Bids for Qualified Clean Energy via Transmission Project Under a Performance-Based Tariff Containing a Qualified Clean Energy Delivery Commitment shall describe how the project will conform to FERC's applicable regulatory requirements, including, but not limited to, FERC requirements relating to allocation of transmission capacity and open access, the justness and reasonableness of rates, the potential for undue preference or discrimination, and affiliate dealings, if any, consistent with Section 5.20 of appendix "B".

- Provided below by way of example only, are provisions of a formula rate sheet showing how the Qualified Clean Energy via Transmission Project Under a Performance-Based Tariff Containing a Qualified Clean Energy Delivery Commitment model could be incorporated in a FERC filed rate schedule. The provision of this cost-based formula rate example does not prevent bidders from proposing alternative rate models.

Attachment

Formula Rate Sheet (For Example Only)

I. Methodology

….

…This formula also sets forth the method that owner shall use, if and when Minimum Energy Delivery Commitments associated with the _____transmission line and AC Upgrades are not met, to determine the reduction to its revenue requirement recoverable from the participating states' transmission customers.

II. Definitions

Capitalized terms not otherwise defined elsewhere in the Agreement and as used in this

Attachment has the following definitions

·….

·*Minimum Energy Delivery Commitments* will equal the specified MW hours of energy dispatched/delivered at the specified ISO-NE node(s) during the specified periods of time, as provided in the table directly below.

Minimum Energy Delivery Commitments

Energy (MWh)	Location (ISO-NE Node ID)	Period (Year)
xxxxxxx	Nodeyyyy	2018 …
…		
Etc.	Etc.	Etc.

[Note: While the table above, provided as an example, suggests only yearly based delivery commitments, more refined/targeted delivery commitments could be included (e.g., seasonal and/or seasonal peak hour minimum delivery requirements).]

·….

III. Calculation of Revenue Requirement

The Revenue Requirement for the _____ Transmission Line …will equal…

…

IV. Calculation of the Revenue Requirement Recoverable from Participating States' EDC Customers.

The Revenue Requirement recoverable from Participating States' EDC customers for the _____ Transmission Line will be equal to the sum of the Revenue Requirement as determined in Section III and any Reduction for Unmet Minimum Energy Delivery Commitments, with such reduction calculated as follows:

Reduction for Unmet Minimum Energy Delivery Commitments will equal the product of the Revenue Requirement calculated for the prior year and the ratio of the unmet portion of the Minimum Energy Delivery Commitment over the Minimum Energy Delivery Commitment for that prior year.

For example, assume the Revenue Requirement calculated for recovery in the prior year was equal to $200,000, and assume 40% of the Minimum Energy Delivery Commitment was unmet in that same prior year. In that case, the Reduction for Unmet Minimum energy Delivery Commitment, to be applied to the Revenue Requirement recoverable from Participating States' Transmission Customers in the current year, would be the product of $200,000 and 40%, or $80,000.

[Note: While the reduction calculation provided above reflects a reimbursement of transmission support charges to EDC customers in direct proportion to unmet Delivery Commitment, other calculations could also be considered to provide additional incentives for achieving the Delivery Commitment, including a greater than one-to-one reduction in transmission support charges relative to delivery shortfalls (for example, greater reductions for delivery shortfalls during peak demand periods). The reduction in the transmission support charges should be designed to at least insulate EDC customers from any damages, injury, or loss of their bargain arising from unmet delivery commitment. On the other hand, reimbursement of transmission support charges to EDC customers is not intended to exceed the transmission support charges themselves on an aggregate basis.]

Appendix F

Procurement Statutes

CONNECTICUT PROCUREMENT STATUTES

Pursuant to Sections 6 and 7 of Connecticut Public Act 13-303, *An Act Concerning Connecticut's Clean Energy Goals,* the CT DEEP is soliciting proposals for PPAs for Tier 1 renewable energy resources and large scale hydropower (as defined by Conn. Gen. Stat. Section 16-1(26) and (53) and as amended by Public Act 13-303) in a quantity of up to 5% of Connecticut EDC load. The solicitation is being conducted in consultation with the State's Procurement Manager, the Office of Consumer Counsel, the Office of the Attorney General, the CT DEEP's independent Consultant, and the Connecticut EDCs. In the event that the CT DEEP finds any proposals submitted in response to Sections 6 and 7 of Connecticut Public Act 13-303 to be in the interest of ratepayers, it may direct the Connecticut EDCs to enter into PPAs for energy and environmental attributes, or a combination thereof, for periods of up to Twenty (20) years for Tier 1 Qualified Energy and fifteen (15) years for Hydropower Resources.

Pursuant to Section 1(c) of Connecticut Public Act 15-107, *An Act Concerning Affordable and Reliable Energy*, the CT DEEP is also seeking proposals for PPAs for Tier 1 renewable energy resources and large scale hydropower (as defined by Conn. Gen. Stat. Section 16-1(26) and (53) and as amended by Public Acts 13-303 and 15-107) in a quantity of up to 5% of Connecticut EDC load. The solicitation is being conducted in consultation with the State's Procurement Manager, the Office of Consumer Counsel, the Office of the Attorney General, the CT DEEP's independent Consultant, and the Connecticut EDCs. In the event that the CT DEEP finds any proposals submitted in response to Section 1(c) of Public Act 15-107 to be in the interest of ratepayers, and the meet the requirements set forth in Section 1(e) of Public Act 15-107, it may direct the Connecticut EDCs to enter into PPAs for energy and environmental attributes, or a combination thereof, for periods of up to Twenty (20) years.

CT DEEP is also soliciting proposals pursuant to Connecticut General Statutes Section 16a-14 for Tier 1 renewable energy resources and large scale hydropower and associated transmission that requires a FERC tariff without a PPA. Large scale hydropower that does not have an associated PPA cannot satisfy Tier 1 renewable energy requirements under the circumstances described in Section 9 of Public Act 13-303.

Once proposals are received by the Soliciting Parties, the proposals will be subject to a review, evaluation and selection process. The first stage ("Stage One") consists of a review of whether

the proposals satisfy specified eligibility, threshold and other minimum requirements set forth in Section 2.2 of this RFP. The second stage ("Stage Two") consists of a quantitative and qualitative evaluation of proposals that pass the Stage One review, as described in Section 2.3 of this RFP.

Stage One analysis, the Stage Two qualitative analysis, and the selection of proposals will be the responsibility solely of the CT DEEP, after consultation with the State's Procurement Manager, the Office of Consumer Counsel, the Office of the Attorney General, the CT DEEP's independent Consultant, and the Connecticut EDCs. For Connecticut, the Procurement Statutes allow the CT DEEP Commissioner to direct the Connecticut EDCs to enter into PPAs, but do not allow the Commissioner to direct the EDCs to contract for transmission. Therefore, if CT DEEP selects any Transmission Project(s), it would recommend such project(s) to the Connecticut EDCs.

The text of the Connecticut Statutes can be found at the following link:

http://www.cga.ct.gov/2013/act/pa/pdf/2013PA-00303-R00SB-01138-PA.pdf

http://www.cga.ct.gov/2013/pub/chap_295.htm#sec_16a-14

http://www.cga.ct.gov/2015/ACT/pa/pdf/2015PA-00107-R00SB-01078-PA.pdf

MASSACHUSETTS PROCUREMENT STATUTE

Section 83A requires the Massachusetts EDCs jointly to solicit proposals from renewable energy developers in coordination with the Massachusetts DOER at least twice during a four-year period that commenced on January 1, 2013. The Massachusetts EDCs are not required to enter into long-term contracts under Section 83A, to the extent that, in the aggregate, the contract volumes would exceed four percent (4%) of the total energy demand from all distribution customers in the service territory of a Massachusetts EDC, unless they voluntarily do so, with the approval of the MDPU. Section 83A of the Act reserves ten percent (10%) of that amount, or 0.4% of demand, for the output of newly developed small, emerging or diverse renewable energy distributed generation facilities that each Massachusetts EDC will solicit in a separate process. The Massachusetts EDCs are consulting with DOER with respect to this RFP and, with respect to the method of solicitation, but not the timetable, will consult with the MA AGO. Any contracts will be subject to review and approval by the MDPU, including review of any recommendations offered by the MA AGO with respect to each such contract.

A Massachusetts EDC may decline to consider contract proposals that otherwise satisfy the requirements of Section 83A if the Massachusetts EDC determines that the terms and

conditions would place an unreasonable burden on its balance sheet, and may structure its contracts, pricing or administration of the Eligible Products purchased to mitigate impacts on the balance sheet or income statement of the Massachusetts EDC or its parent company, subject to the approval of the MDPU. Further, a Massachusetts EDC is not required to enter into a long-term contract to facilitate the financing of renewable energy generation unless reasonable proposals conforming to the requirements stated in this RFP have been received and found by the MDPU to be cost effective to Massachusetts electric customers over the term of the contract.

Pursuant to Section 83A, the MDPU's regulations state that "to the extent there are significant transmission costs included in a bid, the department of public utilities shall authorize the contracting parties to seek recovery of such transmission costs of the project through federal transmission rates, consistent with policies and tariffs of the federal energy regulatory commission, to the extent the department finds such recovery is in the public interest"

The long-term contracting obligation established by Section 83A is separate and distinct from the Massachusetts EDCs' obligation to meet applicable annual RPS requirements pursuant to Section 11F of Chapter 25A of the Massachusetts General Laws. However, under Section 83A, the renewable-generation resource from which energy and/or RECs are procured under a long-term PPA must be eligible to participate in the Massachusetts RPS program and to sell RECs under the program, and a Massachusetts EDC may use RECs purchased under such a long-term PPA to satisfy its RPS requirements.

The Massachusetts EDCs, the DOER and the MA AGO have agreed to collaborate on a coordinated process with respect to this solicitation. The participation of each of the Massachusetts EDCs in this RFP provides prospective bidders with consistent bid submittal and evaluation requirements across all territories. Responses to the RFP will be submitted to the Evaluation Team for evaluation consistent with the terms of the RFP.

The initial evaluation and ranking will be conducted by the Massachusetts EDCs, and then the Massachusetts EDCs will collaborate with parties from all three of the Procuring States to determine whether together they can create a portfolio of projects that would reduce the cost to customers while still complying with the Massachusetts legal requirements and achieving the Massachusetts clean energy goals. Each Massachusetts EDC will consider the results of the evaluation, determine projects for selection, and finalize and execute contracts with any successful bidders that it selects as a result of this process. Each Massachusetts EDC will separately file any executed contracts with the MDPU for approval before they become effective. Prior to entering into any contract, and filing any contract for approval with the

MDPU, the Massachusetts EDCs will consult with DOER. At or after such time that an executed contract is proposed to the MDPU, DOER will submit its assessment of: (1) the process followed by the Massachusetts EDCs resulting in the execution of the contract; and (2) the merits of the particular contract proposed for approval.

Consistent with Section 83A, the Massachusetts EDCs may execute contracts associated with this RFP that are outside of the requirements of the Section 83A, and submit such contracts to the MDPU for approval. Section 83A of the Green Communities Act and the Department's regulations at 220 C.M.R. § 21.00 et seq. require the Department to make specific determinations regarding a proposed long-term contract for renewable energy. As a threshold matter, the Department must determine that the proposed contracts facilitate the financing of the renewable energy generating source to which the contract applies. In addition, the Department must make findings related to: (1) the facility's proposed commercial operation date; (2) the facility's qualification by DOER for the Massachusetts Class I RPS; (3) the facility's ability to provide enhanced electric reliability within Massachusetts; (4) the facility's contribution to the moderation of system peak load; (5) the cost-effectiveness to Massachusetts customers over the term of the contract; and, (6) where feasible, whether the facility creates additional employment and economic development benefits in Massachusetts. 220 C.M.R. § 21.05(1). In addition, the Department considers whether the proposed contract is in the public interest.

RHODE ISLAND PROCUREMENT STATUTE

Narragansett Electric Company, in consultation with the Rhode Island Office of Energy Resources and the Rhode Island Division of Public Utilities and Carriers, is authorized to voluntarily participate in multi-state or regional efforts to procure commercially reasonable: (1) domestic or international large or small scale hydroelectric power; and (2) eligible renewable energy resources, including wind, as defined by R.I. G.L. § 39-26-5(a), on behalf of electric customers; provided, however, that large scale hydroelectric power shall not be eligible under the renewable energy standard established by chapter 26 of title 39 of the General Laws of Rhode Island. The term "commercially reasonable" shall mean terms and pricing that are reasonably consistent with what an experienced power market analyst would expect to see in transactions involving regional energy resources and regional energy infrastructure. Commercially reasonable shall include having a credible project operation date, as determined by the Rhode Island Public Utilities Commission ("RIPUC"), but a project need not have completed the requisite permitting process to be considered commercially reasonable. The determination of whether terms and pricing are "commercially reasonable" shall be made ultimately by the RIPUC. In addition, each long-term contract entered into pursuant to this

solicitation shall contain a condition that it shall not be effective without RIPUC review and approval as provided in Chapter 39-31. Further, Narragansett's method of soliciting proposals from renewable energy developers pursuant to Chapter 39-31 is subject to the review and approval of the RIPUC.

Narragansett, in consultation with the Rhode Island Office of Energy Resources and the Rhode Island Division of Public Utilities and Carriers, is also authorized to voluntarily participate in multi-state or regional efforts to develop and construct regional electric transmission projects that would allow for the reliable transmission of large or small-scale domestic or international hydroelectric power to New England load centers that will benefit the state of Rhode Island and its electric customers. Prior to any binding commitments being made, Narragansett, the Rhode Island Office of Energy Resources and the Rhode Island Division of Public Utilities and Carriers must jointly file that proposal with the RIPUC and the Rhode Island Governor, Senate President, Speaker of the House, Department of Environmental Management and Commerce Corporation. That filing must identify the energy reliability, energy security and customer impacts expected to result from the proposal. The RIPUC is required to approve the rate recovery mechanisms relating to costs of such new transmission proposals.

APPENDIX G

CONFIDENTIAL INFORMATION

CONFIDENTIAL INFORMATION WITH RESPECT TO CONNECTICUT

If you wish to submit information to the Soliciting Parties that is of a confidential nature, please recognize that the Connecticut Freedom of Information Act governs the public's accessibility to that information. This law generally requires the disclosure of material in the possession of the State upon request of any citizen, unless the material is specifically exempt from disclosure. An example of an exemption is a "trade secret," as defined by section 1-210(b)(5) of the Connecticut General Statutes. Information claimed as confidential must be isolated from other material in the proposal and labeled "CONFIDENTIAL." With this submission of information claimed and labeled as confidential, you must provide the legal basis for your confidentiality claim, describe what efforts have been taken to keep the information confidential, and provide whether the information sought to be protected has an independent economic value by not being readily known in the industry. With your legal support and reasonable justification for confidentiality as described herein, the Connecticut state agencies participating on the Soliciting Parties will be better equipped to safeguard your confidential information should it become the subject of a Connecticut Freedom of Information Act inquiry. Subject to footnote 11, supra, Information deemed confidential will remain confidential for losing bidders.

All information for winning bidders, including confidential information, will be released and become public 180 days after contracts have been executed and approved by all relevant regulatory authorities, unless otherwise ordered by the Connecticut PURA.

CONFIDENTIAL INFORMATION WITH RESPECT TO MASSACHUSETTS

With respect to the Commonwealth of Massachusetts, and subject to the confidentiality provisions described above for information associated with this solicitation in the possession of the State of Connecticut, the Massachusetts EDCs shall use commercially reasonable efforts to treat the confidential information that they receive from bidders in a confidential manner and not, except: (1) as required by law; (2) pursuant to a request for information in a regulatory or judicial proceeding; or (3) pursuant to a request for information by a public utilities commission with supervisory authority over any of the Massachusetts EDCs, disclose such information to any third party or use such information for any purpose other than in connection with this RFP; provided, however, that if such confidential information is sought in any regulatory or judicial inquiry or proceeding or pursuant to a request for information by a public utilities commission with supervisory authority over any of the Massachusetts EDC, the Massachusetts EDCs shall

take reasonable steps to limit disclosure and use of said confidential information through the use of non-disclosure agreements or requests for orders seeking protective treatment, and shall inform the bidders that the confidential information is being sought. Bidders are advised that the Massachusetts EDCs will share bid information with the Massachusetts DOER and the MA AGO to facilitate DOER's and the MA AGO's ability to perform their roles under Section 83A, which include their obligations to assess: (1) the process followed by the Massachusetts EDCs; and (2) the merits of one or more PPAs proposed for approval to the MDPU. Pursuant to G.L. c. 25A, § 7, DOER has statutory authority to protect price, inventory and product delivery data. Notwithstanding the foregoing, in the event such confidential information is shared pursuant to a request for confidential treatment and confidential treatment is not afforded, the Massachusetts EDCs shall not be held responsible. Similarly, bidders shall use commercially reasonable efforts to treat all confidential information received from the Massachusetts EDCs in a confidential manner and will not, except as required by law or in a regulatory or judicial proceeding, disclose such information to any third party or use such information for any purpose other than in connection with this RFP; provided, however that if such confidential information is sought in any regulatory or judicial proceeding, the bidders shall take reasonable steps to limit disclosure and use of said confidential information through the use of non-disclosure agreements or requests for orders seeking protective treatment, and shall inform the Massachusetts EDCs that the confidential information is being sought.

Bidders are advised that, per MDPU requirements, confidential bidder information may be disclosed during the MDPU approval process to parties that are granted intervener status in the proceeding. In past proceedings, intervener status has been granted to competitive suppliers and industry trade groups, and therefore, confidential bidder information has been required to be disclosed to legal counsel and/or a third-party consultant retained by the intervener for purposes of the proceeding.

Bidders are advised that, for any requests of the Massachusetts EDCs for bidder information other than as described in the previous two paragraphs, the Massachusetts EDCs will recommend that the party seeking bidder information contact the bidder directly to request such information and negotiate a non-disclosure agreement, as necessary.

CONFIDENTIAL INFORMATION WITH RESPECT TO RHODE ISLAND

With respect to the State of Rhode Island, and subject to the confidentiality provisions described above for information associated with this solicitation in the possession of the State of Connecticut , Narragansett agrees to use commercially reasonable efforts to treat the non-public information it receives from bidders in a confidential manner and will not, except as required by law or in a regulatory proceeding, disclose such information to any third party or

use such information for any purpose other than in connection with this RFP; provided, that, in any regulatory, administrative or jurisdictional proceeding in which confidential information is sought, Narragansett shall take reasonable steps to limit disclosure and use of said confidential information through the use of nondisclosure agreements or orders seeking protective treatment, and shall inform the bidders if confidential information is being sought. Notwithstanding the foregoing, in any regulatory proceeding in which such confidential information is sought and a request for confidential treatment is made to the PUC, Narragansett shall not be responsible in the event that it is determined that the request for treating information in a confidential manner is not warranted. The bidders shall be required to use commercially reasonable efforts to treat all information received from Narragansett in a confidential manner and will not, except as required by law or in a regulatory proceeding, disclose such information to any third party. Bidders are advised that, for any requests of Narragansett for bidder information other than as described in this paragraph, Narragansett will recommend that the party seeking bidder information contact the bidder directly to request such information and negotiate a non-disclosure agreement, as necessary.

APPENDIX H

UTILITY STANDARD OF CONDUCT

June 12, 2014

INTRODUCTION

In a December 2013 statement[22], the New England Governors set forth the need for strategic investments in regional energy infrastructure, including electric transmission to access no- and low-carbon energy serving New England consumers. The New England States have agreed to coordinate certain activities through the New England States Committee on Electricity ("NESCOE").

Given certain current or pending state statutory powers permitting or, in some states, mandating New England electric distribution companies ("EDCs") to solicit Class I resources and/or large-scale hydropower ("State Statutory Authorities"), the New England States seek to engage EDCs in the development of a solicitation and evaluation process for no- and low-carbon energy and associated electric transmission infrastructure, consistent with respective State Statutory Authorities. The EDCs participating in these solicitation processes are each referred to herein as a "Utility"; and collectively, the "Utilities."

The obligations of the Utilities are set forth in the respective State Statutory Authorities, as such statutes may be enacted or amended from time to time, and in orders and regulations of the applicable state utility commissions. In Connecticut, for example, the Utilities are not required by statute or regulatory order to participate in the evaluation or selection of proposals; however, their participation has been requested by the Connecticut Department of Energy and Environmental Protection. The purpose of this Utility Standards of Conduct is to establish uniform protocols and guidelines to govern the Utilities' voluntary participation in the New

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[22] The *December 6, 2013* New England Governors' Statement is available at http://www.nescoe.com/uploads/New_England_Governors_Statement-Energy_12-5-13_final.pdf.

England States' collaborative development of the proposed solicitation process, and nothing in this document is intended to affect or modify the rights, obligations or duties of the Utilities arising under the applicable state statutes.

The Utilities acknowledge the need to follow certain standards of conduct to ensure that any solicitation and evaluation process for no- and low-carbon energy and associated electric transmission infrastructure (the "Solicitation Process"), is conducted in a fair, transparent, and competitive manner, that all laws, regulations, rules and standards and codes of conduct are observed, that all potential bidders are treated equally, that no potential bidder receives preferential treatment or non-public information not available to other potential bidders, enabling it to gain an unfair advantage, and that the efforts of the Utilities in the Solicitation Process do not create any actual or apparent conflict of interest. The New England States and Utilities seek to avoid any actual or apparent conflict of interest by those Utilities who (themselves or their affiliates) may seek to submit a proposal and who (themselves or their affiliates) may be participating in the solicitation and evaluation of proposals.

GUIDELINES

The following guidelines would be followed by the Utility team members participating in the Solicitation Process and those team members must acknowledge and be bound to follow these guidelines in all circumstances.

1. Each Utility shall designate the individuals participating in the Solicitation Process, and shall identify the role of each individual in the process. Utility individuals shall be designated to be on either a Bid Team or an Evaluation Team within their respective companies. No individual shall be a member of both teams, and no individual may change from one team to the other during the solicitation process. The Bid Team shall comprise members of the Utility who are responsible for the development of proposals in response to the Request for Proposals ("RFP"), including any subject matter experts. The Evaluation Team, which will also collaboratively participate with the New England States and NESCOE in developing the Solicitation Process consistent with respective State Statutory Authorities, will be responsible for the development of the RFP, the evaluation of proposals, selection of proposed projects, negotiation of any agreements, and related filings with state and/or federal regulatory authorities. With respect to each aspect of the Solicitation Process listed in the preceding sentence, the degree of participation of each Utility will be consistent with the statutes and regulations of that

Utility's state, and to the extent allowed by statute and regulation each Utility will have the option to take further action as it deems necessary or appropriate to avoid an actual or perceived conflict of interest. Throughout the Solicitation Process the Bid Team and the Evaluation Team will each be represented by separate legal counsel. In connection with the development of RFP(s) that will form part of any Solicitation Process, there should be an ongoing assessment regarding any additional measures that could be instituted to avoid any actual or apparent conflict of interest and whether it would be practicable to do so.

2. The Bid Team and the Evaluation Team shall report through and operate within independent companies, business units or departments, to the extent feasible based on the corporate and organizational structure of the Utility.

3. Each Utility agrees and commits to include in any bid offered in response to the Solicitation Process full disclosure of any ownership interest, financial interest, or other potential conflict of interest with respect to that bid.

4. Each Utility shall ensure that no non-public information regarding the solicitation or evaluation process, a proposal, or the evaluation of any proposal shall be communicated from members of its Evaluation Team to any Bid Team, except as provided to all bidders pursuant to the Solicitation Process. Further, no member of the Evaluation Team may consult, advise or communicate directly or indirectly with a member of any Bid Team about the solicitation process, any proposal, or the evaluation of any proposal during the bid preparation, submission or evaluation process, and vice-versa, except through the Solicitation Process.

5. Since Utility members are divided into an Evaluation Team and a Bid Team subject to the standards contained in these guidelines, Evaluation Team members shall be permitted to participate in the evaluation of all projects including any proposal submitted by that Utility and/or that Utility's affiliates.

6. Each Utility shall communicate these guidelines to all persons on a Bid Team or Evaluation Team, and those persons shall certify in writing their commitment to honoring the guidelines and to referring any questions regarding compliance with the

guidelines to the Utility legal counsel designated to assist such Team members.

7. Each Utility shall designate and provide to the participating New England States, through NESCOE, one or more legal points of contact to work through any unforeseen issues relative to standards of conduct that may arise over the course of the Solicitation Process.

8. These guidelines shall be in place until the earlier of (1) the conclusion of the regulatory filing or approval proceeding resulting from the applicable Solicitation Process, or (2) the Utility's withdrawal from the Solicitation Process.

[UTILITY SIGNATURE BLOCKS TO BE INSERTED]

Appendix I

BID SUBMITTAL

Bids must be submitted as both confidential and public and should be delivered marked as such on separate CD ROMS. A copy of the confidential version and separate copies of the public version of the bids should be submitted in the required volumes to each of the contacts below.

Department of Energy Resources **1 copy of each version**

c/o
Judith Judson
Commissioner
Massachusetts Department of Energy Resources
100 Cambridge Street, Suite 1020
Boston, MA 02114

Unitil **1 copy of each version**

c/o
Lisa Glover
Energy Analyst
Unitil Service Corp.
6 Liberty Lane
Hampton, NH 03842-1720

Eversource **1 copy of each version**

c/o
Jeffery S. Waltman
Manager, Planning & Power Supply
One NSTAR way, NE220
Westwood, MA 02090-9230

The United Illuminating Company **1 copy of each version**

Attn: Alan Trotta

157 Church Street, 16th floor
New Haven, CT 06506

National Grid **3 copies of each version**

c/o
Corinne DiDomenico
Manager, Environmental Transactions
100 East Old Country Road
Energy Procurement, 2nd Floor
Hicksville, NY, 11801

Connecticut Department of Energy and Environmental Protection **10 copies of each version**

c/o
Debra Morrell
Administrative Coordinator
Bureau of Energy and Technology Policy
Connecticut Department of Energy and Environmental Protection
10 Franklin Square, New Britain, CT 06051

BID FEE REMITTANCE

Bid fee should be calculated based upon the instructions in section 1.6 of the body of the RFP. The total fee should then be remitted to each electric distribution company listed below in the percentages listed in the table below to the entities listed. Calculation is made in the last column of the table for a hypothetical $10,000 bid fee.

To insure that the bid fee remittance checks are tracked and received by the appropriate electric distribution company, please send the checks via OVERNIGHT DELIVERY using either Federal Express or UPS.

Please make the checks out to the company name listed in bold below.

		Example Bid Fee Calculation
Fitchburg Gas and Electric	0.54%	$54

United Illuminating	6.54%	$654
National Grid	36.27%	$3,627
Eversource	56.65%	$5,665
Total	100%	$10,000

Payment must be submitted to each electric distribution company via wire transfer. Upon request, wire transfer information will be made available. Please send a wire transfer information request to the email address cleanenergyRFP@gmail.com.