

REQUEST FOR PROPOSALS

FOR

**LONG-TERM CONTRACTS FOR
OFFSHORE WIND ENERGY
PROJECTS**

Issuance Date: June 29, 2017

Distribution Companies:

Fitchburg Gas & Electric Light Company d/b/a Unitil
Massachusetts Electric Company d/b/a National Grid
Nantucket Electric Company d/b/a National Grid
NSTAR Electric Company d/b/a Eversource Energy
Western Massachusetts Electric Company d/b/a
Eversource Energy

Massachusetts Department of Energy Resources

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Definitions

“**Affiliated Company**” means an affiliated company as defined in Section 85 of Chapter 164 of the Massachusetts General Laws.¹

“**Control Area**” means a geographic region in which a common generation control system is used to maintain scheduled interchange of Energy within and outside the region.

“**BOEM**” means the United States Bureau of Ocean Energy Management, and includes its successors.

“**Delivery**”, “**Deliveries**”, “**Deliver**”, or “**Delivered**” means Energy that is: i) injected in the New England Control Area 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 Energy.

“**Department of Energy Resources**” or “**DOER**” means the Massachusetts Department of Energy Resources established by Section 1 of Chapter 25A of the Massachusetts General Laws.²

“**Distribution Company**” means a distribution company as defined in Section 1 of Chapter 164 of the Massachusetts General Laws.³

“**Energy**” means electric “energy,” as such term is defined in the ISO-NE Tariff, generated by the Generation Unit as measured in MWh in Eastern Prevailing Time as metered at the delivery point, which quantity will never be less than zero.

“**Energy Diversity Act**” means chapter 188 of the Acts of 2016, *An Act to Promote Energy Diversity*.

“**Energy storage system**” means a commercially available technology that is capable of absorbing energy, storing it for a period of time and thereafter dispatching the energy and which may be owned by an electric distribution company; provided, however, that an energy storage system shall: (i) reduce the emission of greenhouse gases; (ii) reduce demand for peak electrical generation; (iii) defer or substitute for an investment in generation, transmission or distribution assets; or (iv) improve the reliable operation of the electrical transmission or distribution grid; and provided further, that an energy storage system shall: (1) use mechanical, chemical or thermal processes to store energy that was generated for use at a later time; (2) store thermal energy for direct heating or cooling use at a later time in a manner that avoids the need to use

¹ <https://malegislature.gov/Laws/GeneralLaws/PartI/TitleXXII/Chapter164/Section85>.

² <https://malegislature.gov/Laws/GeneralLaws/PartI/TitleII/Chapter25A/Section1>.

³ <https://malegislature.gov/Laws/GeneralLaws/PartI/TitleXXII/Chapter164/Section1>.

electricity at that later time; (3) use mechanical, chemical or thermal processes to store energy generated from renewable resources for use at a later time; or (4) use mechanical, chemical or thermal processes to capture or harness waste electricity and to store the waste electricity generated from mechanical processes for delivery at a later time.⁴

“Evaluation Team” means the Distribution Companies and the Department of Energy Resources.

“Evaluation Team Consultant” means an entity or entities that will contract with the Distribution Companies to assist the Evaluation Team with the technical methodologies and findings for eligible proposals.

“FERC” means the United States Federal Energy Regulatory Commission, and includes its successors.

“Generation Unit” means a facility that converts a fuel or an energy resource into electrical energy.

“GIS” means the New England Power Pool (“NEPOOL”) Generation Information System or any successor thereto, which includes a generation information database and certificate system, operated by NEPOOL, its designee or successor entity, that accounts for generation attributes of electricity generated or consumed within New England.

“Interconnection Agreement” means an agreement pursuant to the relevant section(s) of the ISO-NE Tariff among the Facility owner, the interconnecting utility and ISO-NE, as applicable, regarding the interconnection of the Facility to the Transmission System of the transmission affiliate of the Distribution Company, as the same may be amended from time to time.

“ISO” or **“ISO-NE”** means ISO New England Inc., the independent system operator established in accordance with the RTO arrangements for New England, or its successor.

“Long-Term Contract” means a contract for a period of 15 to 20 years for Offshore Wind Energy Generation.⁵

“New England Control Area” means New England Control Area as set forth in the ISO-NE Tariff.

“Offshore Delivery Facilities” means transmission or interconnection facilities constructed by an Offshore Wind Developer to transport Energy from Offshore Wind Energy Generation

⁴ <https://malegislature.gov/Laws/GeneralLaws/PartI/TitleXXII/Chapter164/Section1>.

⁵ <https://malegislature.gov/Laws/SessionLaws/Acts/2016/Chapter188>.

facilities to existing onshore ISO-NE Pool Transmission Facilities (“PTF”), and which are proposed in a separate bid component from the Offshore Wind Energy Generation component of the bid. Offshore Delivery Facilities include those facilities proposed under section 2.2.1.3.1 (2) (Project Specific Generator Lead Line Proposal with cost recovery under a FERC rate schedule) and section 2.2.1.3.2 (Expandable Transmission Facilities) of this RFP.

“Offshore Wind Developer” means a provider of electricity developed from an offshore wind energy generation project that is located on the Outer Continent Shelf, and for which no turbine is located within 10 miles of any inhabited area.⁶

“Offshore Wind Energy Generation” means offshore electric generating resources derived from wind that: (1) are Class I renewable energy generating sources, as defined in Section 11F of Chapter 25A of the General Laws; (2) have a commercial operations date on or after January 1, 2018, that has been verified by the Department of Energy Resources; and (3) operate in a designated wind energy area for which an initial federal lease was issued on a competitive basis after January 1, 2012.⁷

“Other Authorities” means United States federal agencies, state and local agencies and authorities, one or more regional transmission organizations, balancing authorities, or utilities in other Control Areas in which a generation unit is located or through which its Energy may pass.

“Outer Continental Shelf” has the meaning provided in 43 U.S.C. §1331.

“Rate Schedule” means Rate Schedule as set forth in in 18 CFR §35.2(b).

“Renewable Energy Certificates” or **“RECs”** means all of the GIS Certificates and environmental benefits associated with New Class I RPS eligible resources.

“Selection Team” means the Distribution Companies.

“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).

⁶ <https://malegislature.gov/Laws/SessionLaws/Acts/2016/Chapter188>

⁷ <https://malegislature.gov/Laws/SessionLaws/Acts/2016/Chapter188>

1. Introduction and Overview

1.1 Purpose of the Request for Proposal

Fitchburg Gas & Electric Light Company d/b/a Unitil (“Unitil”), Massachusetts Electric Company and Nantucket Electric Company d/b/a National Grid (“National Grid”), NSTAR Electric Company and Western Massachusetts Electric Company each d/b/a Eversource Energy (“Eversource”), as investor-owned electric distribution companies (collectively, “Distribution Companies” and each as “Distribution Company”) serving ratepayers in the Commonwealth of Massachusetts (“Commonwealth”), in coordination with the Massachusetts Department of Energy Resources (“DOER”), are collectively seeking reasonable proposals to enter into cost-effective Long-Term Contracts for Offshore Wind Energy Generation and associated RECs, which may include associated transmission costs, pursuant to Section 83C of Chapter 169 of the Acts of 2008 (“Section 83C”), as amended by the Energy Diversity Act. In this Request for Proposals (“RFP”), the Distribution Companies are seeking to procure a total of 400 MW of Offshore Wind Energy Generation. This solicitation also allows bidders to offer proposals for up to approximately 800 MW, and the Distribution Companies will consider procuring up to approximately 800 MW if the Evaluation Team determines that a larger-scaled proposal is both superior to other proposals submitted in response to this RFP and is likely to produce significantly more economic net benefits to ratepayers based on the evaluation criteria set forth in this RFP.⁸ To support development of the offshore wind energy market, the Distribution Companies are seeking proposals that include expandable, nondiscriminatory, open-access offshore transmission facilities for the efficient delivery of their power to the Onshore Transmission System.

This initial solicitation is part of a staggered procurement schedule developed by the Distribution Companies and DOER, in accordance with Section 83C to ensure that the Distribution Companies enter into cost-effective contracts for Offshore Wind Energy Generation equal to approximately 1600MW of aggregate nameplate capacity not later than June 30, 2027. The Distribution Companies and DOER will issue subsequent

⁸ The Commonwealth of Massachusetts in consultation with the Distribution Companies will consider the participation of other states as a means to achieve the Commonwealth’s Offshore Wind Energy Generation goals if such participation has positive or neutral impact on Massachusetts ratepayers. If the Commonwealth determines that such participation provides a reasonable means to achieve its Offshore Wind Energy Generation goals cost effectively through multi-state coordination and contract execution, selected projects may be allocated on a load ration share basis to one or more electric distribution companies in such state, subject to applicable legal requirements in the Commonwealth and the respective state. Examples include: Rhode Island’s Distribution Company, Narragansett Electric Company, has expressed interest in evaluating and considering projects proposed in response to this RFP pursuant to the General Laws of Rhode Island, including Chapter 31 of Title 39, the Affordable Clean Energy Security Act (“Chapter 39-31”). Similarly, the Connecticut Department of Energy and Environmental Protection could consider projects pursuant to Connecticut Public Act 13-303, Connecticut Public Act 15-107, or other authority, as applicable.

solicitations within 24 months of the previous solicitation, consistent with Section 83C. In addition, Section 83C requires that Long-Term Contracts resulting from any subsequent solicitations must include a levelized price per megawatt hour, plus associated transmission costs, that are less than the previous solicitation.

Distribution Companies encourage proposals which include committed Offshore Wind Energy Generation delivery as early as reasonably possible to maximize the Commonwealth’s ability to meet its Global Warming Solution Act (“GWSA”) goals. The terms of any Long-Term Contracts resulting from this solicitation will be finalized between the Distribution Companies and successful bidders based on the proposals submitted and selected in accordance with the process set forth in this RFP.⁹ This RFP includes a draft contract for Offshore Wind Energy Generation (“Draft Contract”), as well as illustrative contract terms for service over Offshore Delivery Facilities.

Section 83C requires the Distribution Companies, in coordination with the DOER, to solicit proposals from developers of Offshore Wind Energy Generation projects in a fair and non-discriminatory fashion, and, provided that reasonable proposals have been received, enter into cost-effective Long-Term Contracts for Offshore Wind Energy Generation. The standards and criteria set forth in this RFP are designed so proposals selected for contract negotiations will serve the interests of Section 83C by furthering those projects that have a strong likelihood of being financed and constructed and that will provide a reliable and cost-effective source of long-term Offshore Wind Energy Generation to the Commonwealth.

In addition to the statutory requirements set forth in Section 83C, the Distribution Companies are issuing this RFP in accordance with regulations promulgated under Section 83C by the Department of Public Utilities (“DPU”), 220 C.M.R. § 23.00, *et seq.* This RFP outlines the process that the Distribution Companies plan to follow to satisfy their obligations under Section 83C and 220 C.M.R. § 23.00, *et seq.* and sets forth the timetable regarding the solicitation process, provides information and instructions to prospective bidders, and the bid evaluation process that will be followed once bids are received.

⁹ The actual amount of Offshore Wind Energy Generation and/or RECs to be procured by each of the Distribution Companies is determined based upon each Distribution Company’s Massachusetts load-share derived from the most recent full years data which is from 2016

National Grid	46.16%
NSTAR	45.05%
WMECO	7.80%
Unitil	0.99%

1.2 The Framework Established Pursuant to Section 83C

The Energy Diversity Act, which includes Section 83D and 83C solicitations, recognizes the necessity of the Commonwealth achieving the goals established pursuant to the GWSA. The GWSA requires the Commonwealth to establish goals and meet targets for the reduction of greenhouse gas emissions by 2020, 2030, 2040, and 2050. The goals established by the Commonwealth specifically require a reduction of 25 percent below 1990 levels by 2020 and a reduction of 80 percent below 1990 levels by 2050.

Under Section 83C, a Distribution Company may decline to consider proposals having terms and conditions that it determines would require the Long-Term Contract obligation to place an unreasonable burden on the company's balance sheet. All proposed Long-Term contracts are subject to the review and approval of the DPU prior to becoming effective.

As part of its review and approval process for any proposed Long-Term Contracts, the DPU must take into consideration recommendations from the Office of the Attorney General ("AGO"), which must be submitted to the DPU within forty-five (45) days following the filing of such contracts with the DPU. Section 83C provides that the DPU shall consider both the potential costs and benefits of such contracts and shall approve a contract only upon a finding that it is a cost effective mechanism for procuring reliable Offshore Wind Energy Generation on a long-term basis, taking into account the factors outlined in Section 83C, as further described below.

Finally, if the DOER, in consultation with the Distribution Companies, and the Independent Evaluator as described in Section 1.5 below, determines that reasonable proposals were not received pursuant to this solicitation, the DOER may terminate this solicitation. In addition, if a Distribution Company deems all proposals to be unreasonable, it shall submit a filing to the DPU supporting its decision to decline all proposals. This decision is subject to DPU approval.

1.3 Solicitation by Distribution Companies in Coordination with the Department of Energy Resources

The Evaluation Team coordinated on this solicitation and evaluation process with respect to this RFP. As a result of this process, the Distribution Companies now issue this RFP, including associated bid forms and draft contracts. The purpose of this approach is to provide prospective bidders with bid submittal and evaluation requirements in order to facilitate the bidding process. Responses to this RFP will be returned to the Evaluation Team for joint evaluation consistent with the terms of this RFP. Bidders shall submit proposals contemporaneously to the entire Evaluation Team. Proposals should be submitted in accordance with Section 1.7.3 of this RFP.

The Selection Team with DOER serving as an advisory participant will then be responsible for bid selection, contract negotiations, and contract execution. The Distribution Companies expect to coordinate their negotiation of the contracts and to jointly file the executed Long-Term Contracts with the DPU for approval prior to becoming effective. The Draft Long-Term Contracts may vary somewhat to accommodate the contracting requirements that are specific to each Distribution Company.

1.4 Overview of the Procurement Process

The Evaluation Team, with the assistance of the Evaluation Team Consultant, will receive the proposals, including confidential materials, and conduct an evaluation of the proposals.

The Distribution Companies have executed the Standard of Conduct document attached as Appendix G to this RFP. Under these Standards of Conduct, discussion of this RFP and any bid proposed therein between Distribution Company personnel participating on the Evaluation Team and Distribution Company personnel involved in the preparation of proposals in response to this RFP shall be prohibited, other than as part of discussions that are conducted as part of the RFP process (e.g. bidder conferences or formal bidder Q&A), in accordance with the Standard of Conduct.

The Evaluation Team will consider the evaluation results and project rankings to determine projects to be considered for selection.

The Distribution Companies will be responsible for negotiation and execution of any final Long-Term Contract. The DOER will have the opportunity to monitor contract negotiations between the Distribution Companies and selected bidders.

The procurement process has three stages of evaluation, as described in further detail in Section 2 of this RFP. In Stage One, proposals will be evaluated on the basis of whether certain eligibility and threshold requirements are satisfied. In Stage Two, proposals will be evaluated based on specified quantitative and qualitative criteria. In Stage Three, further evaluation of remaining proposals will be conducted to ensure selection of viable projects that provide reliable Offshore Wind Energy Generation with limited risk.

1.5 Independent Evaluator

The DOER and the AGO, as required by Section 83C, have jointly selected, and the DOER has contracted with, an Independent Evaluator to monitor and report on the solicitation and bid selection process. The Independent Evaluator will assist the DOER in determining whether a proposal is reasonable, as well as, assist the DPU in its consideration of the Long-Term Contracts filed for approval.

In an effort to ensure an open, fair, and transparent solicitation and bid selection process that is not unduly influenced by an Affiliated Company, Section 83C requires the Independent Evaluator:

- (1) To issue a report to the DPU that analyzes the timetable and method of solicitation and the solicitation process implemented by the Distribution Companies and the DOER; and
- (2) Upon the opening of an investigation by the DPU into a proposed Long-Term Contract, to file a report with the DPU that summarizes and analyzes the solicitation and bid selection process, and provides an independent assessment of whether all proposals were evaluated in a fair and non-discriminatory manner.

To perform this role, the Independent Evaluator will have access to all information and data related to the solicitation and bid selection process, including any confidential information provided by bidders. The DPU has the discretion to consider the Independent Evaluator's findings and may adopt its recommendations as a condition for approval. However, if the Independent Evaluator concludes that the solicitation and bid selection of a contract was not fair and objective, and the process was substantially prejudiced as a result, the DPU shall reject the contract per Section 83C.

1.6 Communications Between the Evaluation Team and Bidders and Filing Protocol

With the exception of the pre-bid conference (see Section 3.2 below), all pre-bid contact with prospective bidders and other interested parties will be via the Distribution Companies' website at **MACleanEnergy.com**, and email address **MARFP83C@gmail.com**. Links will be available for submitting questions to the Distribution Companies, and responses will be coordinated by the Evaluation Team and posted on the Distribution Companies' website.

Proposals will be submitted directly to the Evaluation Team at the addresses set forth in Appendix H to this RFP. Each proposal must be submitted to the entire Evaluation Team. Following the submission of proposals, communications regarding specific proposals will be between the Evaluation Team and the bidder. It will be the responsibility of the bidders to keep the Evaluation Team informed about the details of their projects, (e.g. the status updates in obtaining permits and financing), but the communications shall not include revisions to the bidder's proposals, unless otherwise expressly and unambiguously provided for in this RFP document. Any bidder communications must be provided to the entire Evaluation Team through the email address referenced above.

1.7 Request for Proposal Process

The one hundred and seventy-three (173) day timeline for the bidding process following the issuance of this RFP, as well as the schedule for other steps in the process including approval by the DPU is set forth below in Section 3.1 of this RFP.

1.7.1 Proposal Submission Deadline

12/20/2017 at 12:00 (noon) EDT

1.7.2 Proposal Validity

Proposals shall be valid for one hundred and ninety-five (195) days from the date of the Proposal Submission Deadline.

1.7.3 Submission Requirements

Bidders must submit separate CD ROMs of the public version of each proposal and shall also submit separate CD ROMs of the un-redacted confidential version to the contacts in Appendix H to this RFP in the quantities specified. The public version of the proposal may be redacted to remove information that qualifies for confidential treatment pursuant to the Commonwealth's requirements described in Appendix F to this RFP. Each proposal shall contain the full name and business address of the bidder and the 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 proposal. The full name and business address of the bidder must be included in the public version of the proposal(s).

1.7.3.1 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 **MACleanEnergy.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 public version may be a PDF instead of a working Excel file so long as 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 by the bidder 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.

1.7.3.2 Confidential Versions of Proposals

If a bidder elects to redact any confidential information in the public version of its proposal(s), it must also submit an un-redacted, complete version of the proposal(s). The confidential version of the proposal must include the CPPD forms as a working Excel file, with all required information included. The confidential version of the proposal will be treated as confidential and sensitive information by the Evaluation Team, subject to the treatment of confidential information discussed in Section 1.7.4 of this RFP.

1.7.4 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. Additional information concerning the confidentiality of information provided to the DOER is included in Appendix F to this RFP. As part of the bid evaluation process the Evaluation Team expects to disclose bid information to the Evaluation Team Consultant, to ISO-NE and/or to personnel of one or more Other Authorities. The Independent Evaluator will also have access to all proposal information in performing its role. Depending upon the evaluation of proposals received, the Evaluation Team may seek permission from bidders to share proposals with other individuals or entities, subject to a confidentiality agreement.

In all such cases, the Evaluation Team will work with bidders on developing appropriate means to protect and limit disclosure of confidential information. Bidders, however, should be aware that the Distribution Companies and the DOER reserve the right to disclose the pricing of the winning proposals in the contracts that are filed for approval at the DPU, and the DPU may require the public disclosure of such pricing during the regulatory approval proceedings. If any other 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 Distribution Companies, 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 Distribution Companies 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, but may not object to the disclosure of the pricing of the winning proposals in the contracts that are filed for approval at the DPU.

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.

In the event confidential information is submitted to the Evaluation Team and confidential treatment is not afforded by a governmental agency or other entity exercising proper authority, the entities and individuals on the Evaluation Team and the Independent Evaluator shall not be held responsible. Each member of the Evaluation Team and the Independent Evaluator, 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 member of the Evaluation Team and the Independent Evaluator, 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.

1.7.4.1 Confidential Information Sharing Authorization for ISO-NE and Other Authorities Personnel

ISO-NE will, and Other Authorities may, be requested to provide information to the Evaluation Team concerning proposals as part of the proposal evaluation process. Information classified as Critical Energy Infrastructure Information (“CEII”) will only be shared with members of the Evaluation Team and the Independent Evaluator who are cleared to receive CEII by ISO-NE or any applicable Other Authorities. By participating in this RFP bidders agree that ISO-NE and the Other Authorities may release information related to the projects which may

otherwise be considered confidential under the relevant rules or policies of such organizations, to the Evaluation Team and the Independent Evaluator.

The Bidder shall provide written confirmation of its consent for the sharing of this information as part of the bidder certification form, and, if requested by the Evaluation Team, the bidder shall specifically request that ISO-NE and/or any of the Other Authorities provide this information to the Evaluation Team and shall pay any costs imposed by ISO-NE or any of the Other Authorities associated with providing that information. Failure to comply with this request will result in disqualification of the bid. The Evaluation Team will treat the information provided as confidential as described above in accordance with the Confidential Information policies and practices described in Section 1.7.4. of this RFP.

1.7.5 Appendices

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

- Appendix A Notice of Intent to Bid
- Appendix B Bidders Response Package
- Appendix C-1 Form of Class 1 Contract (National Grid)
- Appendix C-2 Form of Class 1 Contract (Eversource)
- Appendix C-3 Offshore Delivery Facilities Service Requirements
- Appendix D Certification
- Appendix E Procurement Statute
- Appendix F Confidential Information
- Appendix G Utility Standard of Conduct
- Appendix H Bid Submittal Instructions

1.8 Bidder Certification

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

1. The bidder has reviewed this RFP, and has investigated and familiarized 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 that

bidder or (b) for a project in which that 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 Offshore Wind Energy Generation;

4. The bidder has no knowledge of any confidential information associated with the development of this RFP;
5. The bidder's proposal has not been developed utilizing knowledge of any non-public information associated with the development of this RFP;
6. The bidder has not obtained any confidential bidding-related information directly or indirectly from any of the Distribution Companies, in preparation of its bid;
7. Except as disclosed by the bidder in the relevant portions of its response, the bidder is not an Affiliated Company of any Massachusetts investor-owned electric Distribution Company and no Distribution Company that is seeking proposals pursuant to this RFP has a financial or voting interest, controlling or otherwise, in the bidder or the bidder's proposed project; and
8. The bidder accepts that confidential information about their proposal might be shared with any members of the Evaluation Team, the Evaluation Team Consultant, the Independent Evaluator, ISO-NE, or Other Authorities personnel.

1.9 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 Evaluation Team. Any changes to or cancellations of this RFP will be posted on **MACleanEnergy.com**.

1.10 Non-Refundable Bid Fees

Each Project¹⁰ shall be required to pay a non-refundable bid fee which will be used to offset the cost of the quantitative evaluation of proposals performed by the Evaluation Team Consultant. The minimum bid fee will be \$300,000. This bid fee includes one pricing offer. Each additional pricing offer will cost an additional \$25,000 for projects. 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, or delivery location then a flat bid fee of \$50,000 is required. In calculating bid fees for multiple project sizes, the bid fee will first be calculated for the largest of the project sizes and the flat \$50,000 bid fee(s) will

¹⁰ For purposes of bid fee calculation, a Project that offers in the required 2 bids as outlined in section 2.2.1.3.1 and 2.2.1.3.2 will be counted as one project.

apply to the smaller of the project sizes bid. Bid fees must be wired to the Distribution Companies and in the percentages applicable pursuant to the instructions contained in Appendix H to this RFP. The bid fee should be wired no later than the final date for submission of proposals. No applications will be reviewed without a bid fee. Before bidders submit their proposals and bid fees, they are strongly encouraged to verify that the bid submittal meets all of the requirements of this RFP. Submission of a bid fee does not obligate the Distribution Companies to select a project.

If the total amount of the bid fees collected is not adequate to cover the cost of the evaluation, the Distribution Companies may either seek recovery of that shortfall through retail rates or terminate the evaluation and selection process under this RFP. If this RFP is terminated, uncommitted bid fees will be returned. **In no other event will any portion of the bid fees be refunded, without regard to whether a bid is selected.**

2 Bid Evaluation and Selection Criteria and Process

2.1 Introduction/Overview of the Process

The review of proposals will occur in three distinct stages. In Stage One, proposals will be reviewed to ensure that they meet eligibility and threshold requirements. In Stage Two, proposals will be evaluated based on specified quantitative and qualitative criteria. In Stage Three, the Evaluation Team will conduct further evaluation of remaining proposals to ensure selection of viable projects that provide cost-effective, reliable Offshore Wind Energy Generation with limited risk.

The Evaluation Team reserves the right, at any stage, to disqualify and eliminate from further consideration any proposal that it reasonably believes does not meet the requirements set forth below. During any stage of the procurement process, if the Evaluation Team determines that any proposal is deficient and missing applicable information needed to continue the evaluation process, the Evaluation Team may notify the respective bidder and permit the bidder a reasonable opportunity to cure the deficiency and/or supply the missing information. Communication between the Evaluation Team and the bidder will be governed by Section 1.6 of this RFP.

2.2 Stage One

2.2.1 Eligibility, Threshold, and Other Minimum Requirements

Proposals that fail to meet one or more of the following eligibility requirements may lead to disqualification of the proposal from further review and evaluation.

2.2.1.1 Eligible Bidder

An eligible bidder is the developer of Offshore Wind Energy Generation or is in possession of the development rights to Offshore Wind Energy Generation.

2.2.1.2 Eligible Proposal Size

The Distribution Companies are seeking to procure a total of approximately 400 MW of Offshore Wind Energy Generation.¹¹ This solicitation also allows bidders to offer proposals for up to 800 MW, and the Distribution Companies will consider procuring up to 800 MW if the Evaluation Team determines that a larger-scaled proposal is both superior to other proposals submitted in response to this RFP and is likely to produce significantly more economic net benefits to ratepayers based on the evaluation criteria set forth in this RFP.

Each eligible bidder is required to submit at least one proposal of 400MW. An eligible bidder may also submit alternative proposals with a nameplate capacity of no less than 200 MW and no greater than 800 MW.

A bidder offering such alternative proposal(s) may present the same terms, schedule and pricing of the required proposal, with additional capacity, or may present entirely new terms for either portions of the proposal(s) or for the aggregate total capacity.

All proposals must provide for a scheduled commercial operation date before January 1, 2027.

Eligible bidders submitting multiple alternative proposals must specify whether any of their proposals are negatively contingent upon any of their other proposals (i.e., eligible bidders must specify whether acceptance of a certain proposal or proposals will preclude the Distribution Companies from accepting some other proposal or proposals submitted by the same eligible bidder).

If a bidder proposes to construct an eligible project in phases of development, a reasonable number of phases and associated dates for commercial operation date of these phases may be offered. As noted in

¹¹ Bidders may propose minor variations in proposed bid/contract sizes based on expected turbine size and potential changes to expected turbine size.

Section 2.2.1.6 below, in recognition of the 15 to 20 year contract term, multiple contracts may be issued for projects developed in phases. Bidders should indicate their expectation for the number and timing of contracts.

2.2.1.3 Eligible Bid Categories

An eligible bidder proposing to sell Offshore Wind Energy Generation Resources and/or associated RECs pursuant to a Long-Term Contract must propose a price schedule for energy deliveries that conforms to Section 2.2.1.4 of this RFP. Subsections 2.2.1.3.1 and 2.2.1.3.2 below describe the categories of proposals that are being solicited pursuant to this RFP. For each Offshore Wind Energy Generation proposal size that a bidder submits, the bidder must submit a proposal that (a) conforms to subsection 2.2.1.3.1 of this RFP and a separate proposal that (b) conforms to subsection 2.2.1.3.2 of this RFP.

All proposals must include a commitment to interconnect to the ISO-NE Pool Transmission Facilities (“PTF”) at the Capacity Capability Interconnection Standard, as defined by ISO-NE.

The bidder must provide delivery profile schedules of Offshore Wind Energy Generation with its proposal. In accordance with Section 83C, proposals must be cost effective for ratepayers over the duration of the Long-Term Contract and allow for the mitigation of environmental impacts. Consistent with these objectives, and to ensure that proposals reflect potential ratepayer benefits associated with the future deployment of offshore wind facilities pursuant to Section 83C, bidders must submit a proposal that conforms to subsection 2.2.1.3.1 and 2.2.1.3.2 for each eligible generation submission.

Offshore Wind Energy Generation may be paired with energy storage systems. The bidder proposing Offshore Wind Energy Generation with energy storage must provide an annual schedule of Offshore Wind Energy Generation with its proposal. Bidders are encouraged to propose delivery profiles which they expect will add the most value for Massachusetts ratepayers, (e.g., largely follows the Commonwealth’s anticipated load shape or delivers on peak).

The seller for Offshore Wind Energy Generation who fails to deliver energy and/or RECs as pursuant to its contract with the Distribution Company may be responsible for liquidated damages for the energy and/or associated RECs not provided, and for associated transmission support costs incurred in connection with the Offshore Wind Energy Generation not provided. The forms of Long-Term Contracts included in Appendix

C-1 and C-2 contain the terms and conditions for the sale of Offshore Wind Energy Generation and RECs.¹² Appendix C-3 contains the contract and tariff requirements for service in connection with Offshore Wind Energy Generation with a Project Specific Generator Lead Line Proposal with cost recovery under a FERC tariff in section 2.2.1.3.1 (2), and for Offshore Wind Generation with an Expandable Transmission network service described in section 2.2.1.3.2.

2.2.1.3.1 Offshore Wind Energy Generation with a Project Specific Generator Lead Line Proposal

An Eligible Bidder proposing to sell Offshore Wind Energy Generation and/or associated RECs pursuant to a Long-Term Contract must include a proposal for delivery facilities comprising generator lead line(s) and all associated facilities required for delivery from the Offshore Wind Energy Generator directly to the corresponding onshore ISO-NE PTF system facilities (“Project Specific Generator Lead Line Proposal”). Bidders may consider more than one point of on-shore interconnection. Such a proposal may provide for payment either (1) through an all-in price schedule for Offshore Wind Energy Generation and/or associated RECs that includes the cost of such delivery facilities via power purchase agreement, or (2) separately from the generation and/or RECs pricing, through a FERC-accepted OATT, Rate Schedule, or Tariff and Service Agreement with terms consistent with those detailed in the applicable provisions of Attachment C-3. If a bidder elects to use pricing approach (2), then the bidder must include the following information:

- a. The proposed payment required. If the proposed payment may change during the contract term, then the bidder must also provide the method that the bidder shall use to determine the payment for the project under the Rate Schedule or Tariff and Service Agreement to be filed with FERC. If the proposed payment is a formula rate, then the bidder must also provide the formula that the bidder will file with FERC;
- b. If the proposed payment is based on the project’s cost of service and such payment may change during the contract term based on changes in the cost of service, then a full revenue requirements model must be submitted as a

¹² The National Grid form includes the potential for additional such liquidated damages in the event of significant underperformance, i.e., over a long period and with appropriate recognition of the intermittency/weather dependency of Offshore Wind Generation, in the delivery of energy and/or RECs as compared with the seller’s proposed delivery profiles used in the evaluation and selection of its project.

working Excel spreadsheet with the formulas intact including all assumptions;

- c. Sufficient documentation that will demonstrate that the bidder's proposal is consistent with FERC precedent; and
- d. Provide all applicable documentation requested in Section 15 of the Bidder Response Package.

2.2.1.3.2 Offshore Wind Energy Generation with an Expandable Transmission Proposal under a FERC Tariff

In addition to Project Specific Generator Lead Line Proposal bid component, as described in Subsection 2.2.1.3.1, above, each proposal to sell Offshore Wind Energy Generation and/or associated RECs pursuant to a Long-Term Contract must also include a proposal for nondiscriminatory access to Offshore Delivery Facilities that are part of an expandable transmission network, to be designed and constructed by the Offshore Wind Energy Generation bidder, either alone, in combination with other bidders, or in partnership with a third-party developer, to deliver Offshore Wind Energy Generation to the corresponding onshore ISO-NE PTF system facilities ("Expandable Transmission Proposal").

Expandable Transmission Proposals are intended to support development of the offshore wind energy market by providing current and future Offshore Wind Energy Generation developers with expandable, nondiscriminatory, open-access facilities for the efficient delivery of their power to the corresponding onshore ISO-NE PTF system facilities.

Consistent with this purpose, the Expandable Transmission Bid must satisfy the following requirements:

- (1) Include shared facilities with excess capacity and/or efficiently and cost-effectively expandable capacity associated with the collection and transmission of offshore energy, such as an offshore switching station;
- (2) The shared facilities should be sized or expandable to accommodate interconnection of the 1600 MW of aggregate nameplate capacity of Offshore Wind Energy Generation contemplated by Section 83C.

In addition to the required 1600 MW bid described in the last sentence, bidders also have the option to submit additional bids for expandable transmission facilities of other sizes and configuration. Submission of such optional bids will not relieve bidders of the requirement to submit a bid for expandable transmission facilities of 1600 MW;

- (3) Each proposed offshore transmission facility (including the 1600 MW required bid or any optional bids described in (2), above), such as an offshore switching station, must be designed to provide proposed Offshore Wind Energy Generators with a nondiscriminatory access to transmission service, and must avoid, to the extent reasonably possible, any advantage or preference for any Offshore Wind Generators' delivery of its output to the Onshore Transmission System. The proposed offshore transmission facilities must accommodate all existing and currently planned Offshore Wind Energy Generation up to the capacity of the proposed transmission facilities, and should, to the extent possible, be designed to be expandable to accommodate reasonably anticipated future Offshore Wind Energy Generation.
- (4) The shared facilities must be available to all potential future bidders on a non-discriminatory basis under either a FERC tariff or on some other basis described in detail by the bidder including future interconnection requests;
- (5) The shared facilities and the build-out plan should provide for and mitigate the overall costs and maximize total benefits, including but not limited to ratepayer costs, stranded costs, and environmental impacts; and
- (6) Expandable Transmission Proposal must propose an OATT, Rate Schedule, or Tariff with terms consistent with those detailed in Attachment C, including an open access obligation and a duty to expand facilities if necessary to accommodate new interconnection requests.

All Expandable Transmission Proposals, whether required or optional, must comply with Section 2.2.1.3 of this RFP, provide that the transmission facilities are to be operated by ISO-NE as part of the unified transmission grid, and provide for payment through a FERC-accepted OATT, Rate Schedule, or Tariff and Service Agreement with terms consistent with those detailed in Attachment C.

The bidder must provide detailed information on its proposed transmission facilities proposal(s), including, as appropriate:

- a. The proposed payment required. If the proposed payment may change during the contract term, then the bidder must also provide the method that bidder shall use to determine the payment for the project under the Rate Schedule or Tariff and Service Agreement to be filed with FERC. If the proposed payment is a formula rate, then the bidder must also provide the formula that the bidder will file with FERC;
- b. If the proposed payment is based on the project's cost of service and such payment may change during the contract term based on changes in the cost of service, then a full revenue requirements model must be submitted as a working Excel spreadsheet with the formulas intact including all assumptions;
- c. Sufficient documentation that will demonstrate that the bidder's proposal is consistent with FERC precedent; and
- d. Provide all applicable documentation requested in Section 15 of the Bidder Response Package.

2.2.1.4 Allowable Forms of Pricing

- i. Pricing for Offshore Wind Energy Generation and/or associated RECs must conform to the following pricing requirements:
 - a. A proposal to sell Offshore Wind Energy Generation and/or associated RECs, or both, must propose a price on a fixed \$/MWh and/or \$/REC basis, as applicable. Prices may be the same each year or change by a defined rate or amount over time.

- b. Payments must be calculated on a \$/MWh or \$/REC basis for actual production following delivery. No lump sum payments, pre-payments or fees shall be paid.
- c. Proposals including Offshore Wind Energy Generation and RECs, or a portion thereof, must provide separate prices for such Offshore Wind Energy Generation and RECs. For such proposals, if a Distribution Company agrees to purchase both Offshore Wind Energy Generation and RECs under a Long-Term Contract and the RECs cease to conform to the RPS Class I eligibility criteria, the applicable Distribution Company may thereafter only pay for electric energy under that Long-Term Contract. Pricing for Offshore Wind Energy Generation and RECs must align with the relative market value of those products.
- d. Proposals for RECs only must be priced in \$/REC, and only RECs produced by the designated facility that conform to the RPS Class 1 eligibility criteria will be purchased.
- e. Under the terms of the PPA, in the event that the Locational Marginal Pricing (“LMP”) for the 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 Seller shall credit to Buyer, on the appropriate monthly invoice, an amount equal to the product of (i) such Clean Energy Delivered in each such hour; and (ii) the absolute value of the hourly LMP at such Delivery Point.
- f. The Distribution Companies are also interested in considering proposals that include a Distribution Company entitlement to all of the RECs associated with an Offshore Wind Energy Generation project for the project’s life, with any cost for such entitlement amortized over the term of the Long-Term Contract and recovered only under the term of that Long-Term Contract. This proposal would only be considered as an alternative to a proposal that limits the transfer of the entitlement to the RECs to the primary contract term of the Long Term Contract. Proposals will also be considered that include a Distribution Company entitlement to all of the RECs associated with an Offshore Wind Energy Generation project for a period shorter than a project’s life, but beyond the term of the Long-Term Contract, with any costs for such entitlement amortized in

the manner noted above. A bidder offering this alternative proposal must identify any changes to the price or other terms of its proposal, and must also detail the proposed terms and conditions associated with the transfer of the entitlement to the RECs after the primary term of the Long Term Contract, including for example a forecast of the project's life, and forecast of RECs to be delivered each year beyond the primary term. Bidders are not required to pay an additional bid fee for this alternative proposal.

ii. Pricing for Offshore Delivery Facilities components of proposals, as part of a bid, must conform to the following pricing requirements:

- a. The cost of generator-related facilities, such as low-voltage collector cables up to the high side of the generator transformers, must be recovered under the PPA rather than any FERC-jurisdictional OATT, tariff, or rate schedule.
- b. Pricing for the Offshore Delivery Facilities components of proposals should be proposed separately under a FERC-filed tariff or rate schedule that is in form and substance likely to be acceptable to FERC, as determined by the Evaluation Team.
- c. Fixed prices are encouraged for Offshore Delivery Facilities components and pricing. Cost of service is allowed for Offshore Delivery Facilities pricing proposals; however, all such proposals must include significant cost containment features (examples of such features include, fixed price components, cost overrun restrictions, or other cost bandwidth provisions). Bids that limit ratepayer risk to a greater degree will be viewed more favorably.

Offshore Delivery Facilities components of proposals must provide all requested information about the Offshore Delivery Facilities project costs, design, vendors, and contracts described in the Bidder Response Package. All Offshore Delivery Facilities project proposals must also address the applicable terms shown in Appendix C-3 to this RFP and cost of service proposals must provide a working Excel spreadsheet with a full revenue requirements model showing the transmission components proposal's cost of service during and after the contract term. Proposals must include sufficient documentation that will demonstrate that their pricing is consistent with FERC precedent.

2.2.1.5 Bidder Disclosure of Affiliations and Affiliate Relationships

All bidders are required to disclose any and all affiliations and affiliate relationships, joint ventures, or wholly owned subsidiaries in such detail as to allow the Evaluation Team to be able adequately determine the bidder's corporate structure as described in Appendix B to this RFP. Bidders are required to provide complete and accurate information. Any bidder failing to provide complete and adequate information will not be considered eligible under this solicitation.

In addition, bidders are required to disclose and document any and all direct and indirect affiliations and affiliate relationships, financial or otherwise, between the bidder and any of the Distribution Companies, including any relationship in which any of the Distribution Companies has a financial or voting interest (direct or indirect) in the bidder or the bidder's proposed project. These relationships would encompass, but are not be limited to:

- Corporate or other joint arrangements, joint ventures, joint operations whether control exists or not;
- Minority ownership (less than 50 percent (50%) investee);
- Joint development agreements;
- Operating segments that are consolidated as part of the financial reporting process;
- Related parties with common ownership;
- Credit, debenture, and financing arrangements, whether a convertible equity feature is present or not; and
- Wholly owned subsidiaries.

2.2.1.6 Contract Term

The contract term for Long-Term Contracts is defined by Section 83C as a contract for a period of 15 to 20 years. Within these statutory parameters, bidders are encouraged to make their own determination as to the product delivery term that best fit their needs while meeting the requirements of this RFP. For projects developed in phases and in recognition of the 15 to 20-year contract term specified in Section 83C, the Distribution Companies will consider issuance of multiple contracts. Bidders should indicate their proposed number and timing of contracts.

2.2.1.7 Capacity Requirements

A proposal must describe the amount of capacity, and the capacity commitment period, for which the bidder expects the generation unit in their proposal 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 the bidder expects to meet those requirements. Such requirements include, among others, satisfaction of the Capacity Capability Interconnection Standard 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 and location. The Distribution Companies will not purchase capacity under the Long-Term Contracts, and bidders will retain any Forward Capacity Market revenues received from ISO-NE.

Notwithstanding the above, each project must include a commitment to interconnect to the PTF at the Capacity Capability Interconnection Standard.

2.2.1.8 Interconnection and Delivery Requirements

The delivery of Offshore Wind Energy Generation from a generation unit must occur throughout the term of the contract. Substitution of non-Offshore Wind Energy Generation is not allowed for delivery or firming of delivery. It is the responsibility of the bidder to satisfy the delivery requirement. The delivery point must be located so that Distribution Companies are not responsible for wheeling charges to move energy to the PTF. The Distribution Companies will not be responsible for any costs associated with delivery other than the payment of the bid prices. Similarly, Distribution Companies will not be responsible for any scheduling associated with delivery.

The bidder will be responsible for all costs associated with and/or arising from interconnecting its project to the PTF using the Capacity Capability Interconnection Standard and for ensuring that the Offshore Wind Energy Generation is recognized in ISO-NE’s settlement system as injected in the ISO-NE energy market at a specified and agreed upon pricing node.

The Distribution Companies are seeking projects where energy is able to be delivered to their ratepayers without material constraint or curtailment, and the bidder is obligated to demonstrate how this delivery standard is to be satisfied. Bidders must demonstrate that their proposed point of delivery into ISO-NE, along with their proposed interconnection and

transmission upgrades, is sufficient to ensure full delivery of the proposal's Offshore Wind Energy Generation profile. Proposals must include all interconnection and transmission upgrade costs required to ensure full delivery of the proposed Offshore Wind Energy Generation profile, including transmission upgrades that may need to occur beyond the point of interconnection. Proposals that fail to provide sufficient supporting documentation or information necessary to reasonably ensure full delivery of the proposed Offshore Wind Energy Generation profile under a range of assumptions may be eliminated from further evaluation.

At no time will one or more Distribution Companies assume the responsibility of Lead Market Participant, as defined by ISO-NE.

The generation unit shall comply with all ISO-NE and FERC interconnection requirements for generation facilities and interregional ties, as applicable. Any RECs associated with the Offshore Wind Energy Generation and purchased pursuant to the Long-Term Contract must be delivered into the Distribution Companies' NEPOOL GIS accounts.

To meet this requirement, bidders must submit a plan that clearly demonstrates how Offshore Wind Energy Generation 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 to this RFP.

The bidder must detail the status (and conclusions, as available) of interconnection applications and studies, as further described in Section 6 of Appendix B to this RFP.

All bidders must have filed interconnection requests with ISO-NE as necessary and sufficient to gain a full understanding of the maximum expected interconnection costs for their proposed Offshore Wind Generation capacity(ies), and for the potential Offshore Wind Generation capacity(ies) to be interconnected through their Expandable Transmission Proposals(s). Projects that have received their I.3.9 approval from ISO-NE must identify that approval and include such documentation in their proposal. Proposals for projects that do not have I.3.9 approval from ISO-NE must include technical reports or system impact studies that approximate the ISO-NE interconnection process, including but not limited to clear documentation of study technical and cost assumptions, reasoning, and justification of such assumptions. All studies must assume the project will interconnect using the Capacity Capability Interconnection Standard, must use the current ISO-NE interconnection process (including network impact scenarios from multiple projects interconnecting), and must also detail any assumptions with respect to projects that are ahead of

the proposed project in the ISO-NE interconnection queue and any assumptions as to changes to the transmission system that differ from the current ISO-NE Regional System Plan. Proposals are strongly encouraged to include a scenario analysis in their studies that shows how changes in the project interconnection queue could impact their interconnection costs using the current ISO interconnection rules.

In addition, to the extent that ISO-NE is considering changes to the current interconnection rules, bidders may also submit studies using the new ISO-NE-proposed process. Any such studies must be accompanied with clear documentation of study technical and cost assumptions, reasoning, and justification of such assumptions. The Evaluation Team may consider such additional studies during the evaluation process if applicable, but will not consider submissions based on interconnection processes or rules that have not been proposed by ISO-NE.

2.2.1.9 Proposal Completeness: Bidder Response Forms and the Draft Contracts

Bidders must follow the instructions provided in Appendix B to this RFP and provide complete responses. Bidders are also required to fill out Appendix D to this RFP. Bidders 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 bidder should include “N/A” and describe the basis for this determination. If a 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 bidder should provide an appropriate explanation, and a subsequent update as described below.

Appendices C-1 and C-2 to this RFP are the form of the Draft Contracts and Appendix C-3 is the Offshore Delivery Facilities Service Requirements for this solicitation. Bidders must include a marked version showing any proposed changes to the Draft Contracts with their bid, and it is assumed that bidders would be willing to execute the marked-up contract included in their bids. Bidders are discouraged from proposing material changes to the Draft Contracts or material deviations from the Offshore Delivery Facilities tariff and contract requirements.

2.2.1.9.1 Bid Fees

Each applicant must submit the bid fee for each proposed eligible project as described in Section 1.10 of this RFP.

2.2.2 Threshold Requirements

Proposals that meet all the eligibility requirements will then be evaluated to determine compliance with threshold requirements, which attempt to screen out proposals that are insufficiently mature from a project development perspective; lack technical viability; impose unacceptable balance sheet impacts on the Distribution Companies; do not satisfy the minimum requirements set forth in Section 83C; are not in compliance with RFP requirements pertaining to credit support; or fail to satisfy minimum standards for bidder experience and ability to finance the proposed project. The threshold requirements for this RFP are set forth below.

2.2.2.1 Site Control and Related Agreements

The bidder must demonstrate that it has a federal lease issued on a competitive basis after January 1, 2012 for an Offshore Wind Energy Generation site that is located on the Outer Continental Shelf and for which no turbine is located within 10 miles of any inhabited area. Further, the bidder must demonstrate that it has a valid lease, or option to lease, for marine terminal facilities necessary for staging and deployment of major project components to the project site. The bidder must also detail the proposed interconnection site, describe what rights the bidder has to the interconnection site, and provide a detailed plan and timeline for the acquisition of any additional necessary rights. The bidder must: (i) specifically describe the portions of the route for which the bidder has acquired sufficient rights to locate its Offshore Delivery Facilities proposed under section 2.2.1.3.,¹³ above, those transmission facilities, and (ii) provide a reasonable and achievable detailed plan (with a timeline) to acquire sufficient rights to the remainder of the necessary Offshore Delivery Facilities locations. The required information and documentation shall include the following:

- i. Plans, including a map of the Offshore Wind Energy Generation site, a map showing the location of the marine terminal facility, the proposed water routes to the project site, a map of the proposed interconnection that includes the path from the Offshore Wind Energy Generation site to the interconnection location, and, to the extent a bid includes associated Offshore Delivery Facilities or

¹³ Thus, site control information as described in this section must be provided for all Offshore Delivery Facilities associated with the bid, whether or not they are proposed in a separate bid component from the Offshore Wind Energy Generation component of the bid.

Project Specific Generator Lead Line proposed under section 2.2.1.3.1 (1), above, a map that shows those facilities' location(s);

- ii. A description of all government – issued permits, approvals, and authorizations that have been obtained or need to be obtained for the use and operation of the Offshore Wind Energy Generation site, the proposed interconnection location, and, to the extent a bid includes associated Offshore Delivery Facilities or Project Specific Generator Lead Line proposed under section 2.2.1.3.1, above, the location(s) of such facilities. Provide copies of any permits, approvals, and authorizations obtained, and a detailed plan and timeline to secure the remaining permits, approvals, and authorizations;
- iii. A copy of each of the leases, agreements, easements, and related documents granting the right to use the Offshore Wind Energy Generation site, the marine terminal for deployment of major project components, and, if available, the interconnection location;
- iv. A copy of each of the related leases, agreements, easements, and related documents that have been obtained for the route of the Offshore Delivery Facilities or Project Specific Generator Lead Line proposed under section 2.2.1.3. above; and,
- v. Provide a description of the area surrounding any land-based project area, including the marine terminal for deployment of major project components and all transmission and interconnection facility locations.

2.2.2.2 Technical and Logistical Viability, Ability to Finance the Proposed Project

The 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, is reasonably expected to be commercially available prior to the commencement of project construction, or has been used successfully as outlined in Section 8 of Appendix B to this RFP.

The bidder must demonstrate the logistical viability of the project through a construction plan covering the necessary specialized equipment (e.g. vessels), applicable maritime law (e.g. the Jones Act), and local port facilities to complete project deployment.

The bidder must also demonstrate the financial viability of the proposed eligible project, including the funding of development costs and the required development period security, the reasonableness of the transmission/network upgrades project scope and cost estimates, and the ability to acquire the required equipment in the time frame proposed (see Section 5 of Appendix B to this RFP).

2.2.2.3 Experience

The bidder must demonstrate that it has sufficient 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:

1. Successful development and construction of a similar type of project; or
2. Successful development and construction of one or more projects of similar size or complexity or requiring similar skill sets; or
3. Experience successfully financing power generation or transmission projects (or demonstrating the financial means to finance the eligible project on the 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 to this RFP.

2.2.2.4 Providing Enhanced Electricity Reliability within the Commonwealth

Section 83C requires that the proposed project must demonstrate that it will "provide enhanced electricity reliability." This requirement can be satisfied by the bidder's agreement to commit any qualifying capacity to ISO-NE exclusively, even if capacity is not included in its bid, as described above. Bidders may provide other demonstrations that will be considered in determining whether this threshold requirement is satisfied.

2.2.2.5 Contribution to Reducing Winter Electricity Price Spikes

The project must demonstrate that the proposed project will contribute to a reduction in winter electricity price spikes.

2.2.2.6 Avoid Line Loss and Mitigating Transmission Costs to the Extent Possible and Ensuring that Transmission Cost Overruns, if any, are not Borne by Ratepayers

The proposed project must demonstrate its approach to avoiding line loss. In addition, Section 83C requires that any transmission cost overruns are not to be borne by ratepayers. All proposals must demonstrate that the proposed project has sufficient safeguards to ensure that any transmission or other Offshore Delivery Facilities cost overruns are not imposed on ratepayers.

2.2.2.6.1 Transmission Cost Containment

Section 83C requires that proposals “mitigate transmission costs to the extent possible and ensure that transmission cost overruns, if any, are not borne by ratepayers.” Bidders must include significant cost containment features in their proposals to meet this requirement. Proposals that include more effective provisions that eliminate or minimize ratepayer exposure to transmission and other Offshore Delivery Facilities cost risks as described in this section will be evaluated more favorably throughout the evaluation process.

While bidders are not limited to any particular types of cost containment, cost containment proposals may include binding commitments to adopt specified rate structures, other measures that prevent ratepayer cost exposure, and/or caps on the following:

- project construction and capital costs;
- the cost of related system upgrades;
- costs arising from changes in interconnection processes or rules; and,
- caps on operation and maintenance and other ongoing costs of a project.

Cost containment provisions may apply differently to different types of costs, so long as the provisions are consistent with a bidder’s approach to estimating the costs of its proposal. A bidder must identify the risks associated with any project cost not subject to a cost containment feature. To the extent there are any circumstances where any specific proposed cost containment feature would not apply, a bidder shall explain such exceptions in sufficient detail to allow for a full assessment of the proposal.

It is the bidder's responsibility to provide sufficient information to allow the Evaluation Team to thoroughly and reliably evaluate the details of any cost containment features proposed by the bidder. Offshore Delivery Facilities bid components should include all information available (e.g., basis and assumptions for such cost estimates, as well as for associated system upgrade costs) to support assessment of the accuracy and reliability of the costs and/or rates proposed.

As outlined in Appendix B to this RFP, the bidder must include a detailed explanation of how its proposal mitigates Offshore Delivery Facilities bid component costs, and ensures that Offshore Delivery Facilities cost overruns, if any, are not borne by ratepayers. Offshore Delivery Facilities bidders must also explain how their proposals comply with any applicable FERC precedent. The requirements in Appendix B to this RFP are minimum requirements. Bidders must provide sufficient documentary support, including examples where appropriate, for their cost containment proposals to allow for a full and transparent evaluation of these proposals.

2.2.2.6.2 Abandonment Costs

If an Offshore Delivery Facilities project accepted under this RFP is cancelled or abandoned, or its development is otherwise discontinued (an event referred to hereinafter as "abandonment"), the bidder shall be allowed to propose to recover prudently-incurred project-related costs ("abandonment costs") from the Distribution Companies in accordance with FERC rules and policies. However, in no event may a bidder recover abandonment costs if the abandonment was caused directly or indirectly by some wrongful act or failure to act of the bidder. In consideration of entering into a Long-Term Contract with the Distribution Companies under this RFP, bidders shall agree not to seek from FERC or any other agency or authority any treatment of abandonment costs inconsistent with this provision.

The evaluation process will value more favorably proposals to the extent that the proposals further eliminate or minimize ratepayer exposure to abandonment cost risk by not seeking abandonment cost recovery or including significant limitations, such as a commitment not to seek recovery for abandonment costs incurred prior to the issuance of this RFP, or another date certain to be proposed by the bidder.

2.2.2.6.3 Offshore Delivery Facilities Costs in the Absence of Energy Delivery

All proposals must include a project schedule as required in the Bidder Response Package in Appendix B to this RFP. Proposals should propose complete critical path schedules, for both Offshore Delivery Facilities and Offshore Wind Energy Generation elements of the project, from the notice of selection for contract consideration to the start of commercial operations (the “Baseline Schedule”). The evaluation process will value more favorably proposals that include mechanisms to protect ratepayers from risks associated with payments for Offshore Delivery Facilities costs when any associated expected Offshore Wind Energy Generation, as proposed by the bidder, is absent, reduced, or curtailed as compared to the Baseline Schedule. The Evaluation Team expects that departures from the commercial operation dates at the end of the Baseline Schedule will result in the following:

1. Offshore Delivery Facilities payments are not required either directly or indirectly, whether in the form of AFUDC, CWIP, or by any other means, prior to the transmission project actually achieving commercial operation.
2. In the event that the Offshore Delivery Facilities project achieves commercial operation prior to the date that some or all of its associated Offshore Wind Energy Generation facilities actually begin producing energy for delivery to the Distribution Companies, Offshore Delivery Facilities payments are reduced in proportion to the shortfall, if any, in energy deliveries relative to the Baseline Schedule.

The Evaluation Team will consider other mechanisms as proposed by the bidder to mitigate ratepayer risk.

2.2.2.7 Adequately Demonstrate Project Viability in a Commercially Reasonable Timeframe

A bidder must demonstrate that its proposal can be developed, financed, constructed and technically viable within a commercially reasonable timeframe.

A proposal that does not have a reasonable schedule that provides sufficient time for the application for, and receipt of, necessary permits,

approvals and other commitments may be determined not to have satisfied this threshold requirement. In addition, a proposal that is determined to have a “fatal flaw” such that it will be unable to obtain permits or property rights necessary to construct the proposed project may be determined not to have satisfied this threshold requirement.

2.2.2.8 Contribution to Employment; Economic Development Benefits

Section 83C requires that, where feasible, a proposed project demonstrate that it creates additional employment and economic development in the Commonwealth. This requirement can be satisfied, for example, by a showing of:

1. Direct employment benefits associated with the proposed project; or,
2. Indirect employment benefits associated with the proposed project; or,
3. Other economic development benefits associated with the proposed project.

The Evaluation Team will consider a broad range of other economic development benefits that could be achieved by a proposed project, including, for example, creating property tax and lease payment revenues, commitments to local workforce training, and providing Offshore Wind Energy Generation at lower costs than other potential projects, and potential environmental benefits to ratepayers. The proposal shall include a timeline of the short-term and long-term economic development benefits.

2.2.2.9 Utilizing an Appropriate Tracking System to Account and Enable for GWSA Goals

The proposed project must demonstrate that it will utilize an appropriate tracking system to ensure a unit specific accounting of the delivery of Offshore Wind Energy Generation, to enable the Department of Environmental Protection, in consultation with the DOER, to accurately measure progress in achieving the Commonwealth’s goals under Chapter 298 of the Acts of 2008 or Chapter 21N of the General Laws.

2.2.2.10 Environmental Impacts

Section 83C requires that, where possible, a proposed project must demonstrate that it mitigates any environmental impacts.

2.2.2.11 Security Requirements

Proposals that are selected will be required to post security.

The required level of security for contracts for each Long-Term Contract is \$20,000 multiplied by the Contract Maximum Amount (as defined in the Draft Contract, Appendix C-1 and C-2 to this RFP) in MW for the generation unit. Fifty percent (50%) of the security must be provided at the time of contract execution. The remaining 50 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 contract.

The required level of Security for Offshore Delivery Facilities Projects associated with an Expandable Transmission Proposal 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 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 Distribution Companies will not provide any financial security or parent guaranty under any circumstances.

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 Draft Contracts.

2.2.2.12 Unreasonable Balance Sheet Impacts

A Distribution Company may decline to pursue a proposal if the proposal's terms and conditions would result in a contract obligation that places an unreasonable burden on the Distribution Company's balance sheet. However, Distribution Companies are required to take all reasonable actions to structure their contract pricing or administration for the products purchased to mitigate impacts on the balance sheet or income statement of the Distribution Company or its parent company, subject to approval of the DPU. Mitigation of these measures must not increase costs

to ratepayers. Each Distribution Company retains the right to make such a determination based upon the evaluation of particular proposals.

2.2.2.13 Facilitate Financing of Offshore Wind Energy Generation

Proposals that seek to qualify for consideration under Section 83C must demonstrate that the proposal advances the goal of Section 83C for the selection of cost-effective Long-Term Contracts that facilitate the financing of Offshore Wind Energy Generation resources. The bidder should specify how a Long-Term Contract resulting from this RFP process would either permit it to finance its project that would otherwise not be financeable or assist it in obtaining financing of its project.

2.3 Stage Two—Quantitative and Qualitative Analysis

Proposals that meet the requirements of Stage One will be subject to a quantitative and qualitative analysis in Stage Two, evaluating the costs and benefits of each proposal as a mechanism to procure reliable renewable energy on a long-term basis to the benefit of ratepayers. The results of the quantitative and qualitative analysis will be a relative ranking and scoring of all proposals. Stage Two scoring will be based on a 100-point scale. Proposals will be scored with up to 75 points for quantitative factors and up to 25 points for qualitative factors for purposes of conducting the Stage Two evaluation.

2.3.1 Evaluation Using Quantitative Evaluation Criteria

The quantitative evaluation will take place in multiple steps. To begin, the Evaluation Team will undertake a screening process to determine whether one or more proposals are not economically competitive. If the consensus view of the Evaluation Team is that one or more proposals are not sufficiently economically competitive, irrespective of qualitative evaluation results or indirect benefits, then such proposals will not proceed to the full quantitative evaluation.

Proposals that proceed to the quantitative evaluation will be evaluated on their direct and indirect economic and environmental costs and benefits ratepayers as detailed in the following sections.

2.3.1.1 Direct Contract Costs & Benefits

Proposals will be evaluated on both direct contract price costs and benefits and other costs and benefits as outlined below to retail consumers. Direct contract price costs and benefits for evaluation may include, but may not be limited to:

- i. Offshore Wind Energy Generation will be evaluated on a mark-to-market comparison of the price of any eligible

Offshore Wind Energy Generation under a contract to projected market prices at the delivery point with the project in-service;

- ii. Offshore Wind Energy Generation resources will be evaluated using a mark-to-market comparison of the price of any RPS Class I eligible RECs under a contract to their projected market prices at the delivery point with the projected in-service date;
- iii. The cost of the Offshore Delivery Facilities, including associated interconnection and upgrade costs, where the recovery of such costs is not included in the PPA, and expected benefits, if any, of revenue from sales of excess capacity over the Offshore Delivery Facilities; and,
- iv. The costs, benefits, and risks of a proposed Expandable Transmission Project, including a calculation of the avoidance of future net costs to connect future Offshore Wind Energy Generation Projects to onshore delivery points, taking into consideration the network costs and risks of delay or failure of future Offshore Wind Energy Generation Projects, including possible stranded costs to be borne by ratepayers.

2.3.1.2 Other Costs & Benefits to Retail Consumers

The quantitative evaluation process will include an evaluation of additional economic and environmental costs and benefits of the proposals to ratepayers in the Commonwealth, which may include, but may not be limited to:

- i. The impacts of changes in LMP paid by ratepayers in the Commonwealth and/or impact on production costs;
- ii. For proposals greater than 400MW, the opportunity costs and benefits of procuring greater than 400 MW in this solicitation as compared to the anticipated costs and benefits of procuring the installed capacity through a future solicitation;
- iii. Offshore Wind Energy Generation RECs will be evaluated using an economic proxy value for their contribution to GWSA requirements, as determined by the Evaluation Team;

- iv. Additional impacts, if any, from the proposal on the Commonwealth's GHG emission rates and overall ability to meet GWSA requirements;
- v. The economic impacts of any associated energy storage systems including the economic value increased resource firmness, reduced intermittency, and improved delivery during peak periods; and,
- vi. Indirect impacts, if any, for retail ratepayers on the capacity or ancillary services market prices with the proposed project in service.

The reference case system topology will be based on the most recent ISO New England Capacity, Energy, Load and Transmission ("CELT") report. The evaluation process will include an evaluation of benefits using the outputs from an electric market simulation model or models.

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 2.2.1 of this RFP). For purposes of computing the net present value, a discount factor consisting of a weighted average value of the Distribution Companies cost of capital will be used.

The Offshore Wind Energy Generation production profile provided by the bidder will be evaluated for reasonableness. The Evaluation Team and the Evaluation Team Consultant will also evaluate the reasonableness of Offshore Delivery Facilities cost estimates, including estimates associated with transmission system upgrades, cost-of-service ratemaking, or modified cost-of-service ratemaking. The bidder is responsible for providing support for 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 additional transmission system upgrade costs that may be required to ensure full delivery of energy and RECs to the Distribution Companies) or any other estimate in order to produce a reasonable and appropriate evaluation. Proposals that fail to provide sufficient supporting documentation or information necessary to produce a reasonable and appropriate evaluation may be eliminated from further evaluation.

2.3.2 Qualitative Evaluation

The qualitative evaluation will consist of the factors mandated by Section 83C as well as factors deemed important by the Evaluation Team as detailed below.

i. Siting, Permitting, and Project Schedule

- Experience and capability of the bidder and eligible project team (and any associated transmission development team), including experience in the ISO-NE market.
- Credibility of plan to obtain required permit approvals, including the extent to which opposition to the project materially affects the ability of the project to obtain timely final approval.
- Demonstrated progress in the interconnection process and credibility of the proposed interconnection schedule.
- Credibility of project schedule and construction plan, and ability to achieve proposed commercial operation date(s).
- Identification of required federal, regional, state, and local permits and progress in the associated application and approval processes.
- Credibility and status of proposed project cost estimates and financing plan.
- Status and completeness of project stakeholder engagement plan.

ii. Reliability Benefits

- Ability to provide enhanced electricity reliability within the Commonwealth.
- Extent to which the proposal is likely to provide benefits to forward capacity market.
- Extent to which the proposal is likely to provide benefits in the ancillary service market.
- Extent to which the proposal provides ISO-NE with operating flexibility benefits.
- Extent to which the proposed project for Offshore Wind Energy Generation is to be paired with energy storage systems that demonstrate reliability and/ or operational benefits.

iii. Benefits, Costs, and Contract Risk

- Extent to which project scope, including interconnection upgrades and costs are known or estimates are reasonable.
- Extent to which pricing is firm and/or the cost containment measures effectively limit cost risk for customers.
- Extent to which the bidder accepts provisions of the Draft Contracts and/or illustrative terms for Offshore Delivery Facilities project or shifts risk to buyers and their customers.
- Extent to which the bidder has been transparent in describing proposed contract, project costs and tariff and rate terms.
- Extent to which the proposal can provide price certainty, including the REC price, and act as a hedge against price increases and volatility.
- Extent to which an Expandable Transmission Proposal has offered commercially reasonable conditions of service that reflects an appropriate assumption of risk by the provider.

iv. Environmental Impacts from Siting

- Extent to which a project demonstrates that it avoids, minimizes, or mitigates, to the maximum extent practicable, environmental impacts. Factors to be considered include:
 - Experience undertaking environmental impact assessments.
 - Preliminary characterization of the potential environmental impacts, including but not limited to species protected under the Endangered Species Act, and a preliminary plan that highlights the approach to avoid or mitigate these impacts based on best management practices.
 - Any additional information that may demonstrate mitigation of environmental impacts.
- Extent to which the project avoids, minimizes, or mitigates to the maximum extent practicable, potential environmental impacts from siting, including but not limited to, co-location or siting with compatible existing infrastructure.

v. Economic Benefits to the Commonwealth

- Demonstrated ability to create and foster employment and economic development in the Commonwealth, where feasible, including:
 - Direct and/or indirect employment benefits associated with the proposed project; and/or,
 - Specific commitments to economic activity in the Commonwealth, such as leases for water-side facilities and other properties, capital investment, local manufacturing or outfitting of project such as turbine foundations, or use of local suppliers and service providers.
- Demonstrated benefits to low-income ratepayers without adding cost.

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 could receive the maximum possible qualitative score. The Evaluation Team will determine which proposals proceed to Stage Three following the Stage Two evaluation based on the following considerations: (1) the rank order of the proposals at the end of the Stage Two evaluation; (2) the cost effectiveness of the proposals based on the Stage Two quantitative and qualitative evaluation; and (3) the total MW quantities of the proposal(s), relative to the procurement target

2.4 Stage Three

As stated in Section 83C, the Distribution Companies must select Long-Term Contracts that are cost-effective mechanisms for procuring reliable renewable energy on a long-term basis for the benefit of ratepayers. Proposals for more than 400 MW of Offshore Wind Energy Generation will not be selected unless the Evaluation Team determines that a larger-scaled proposal is both superior to other proposals submitted in response to this RFP and is likely to produce significantly more economic net benefits to ratepayers compared to the alternative of procuring the additional MWs in a future solicitation after taking relevant risks into consideration. The Stage Three evaluation of remaining bids will be based on the Stage Two quantitative and qualitative evaluation criteria and, at their discretion, the following additional factors:

- Possible portfolio effect;

- Overall impact of proposals on the Commonwealth’s policy goals, as directed by the DOER, including GWSA goals;
- Risks associated with project viability of the proposals;
- Any risks to ratepayers that may be associated with projects proposing to recover Offshore Delivery Facilities costs through rates not fully captured in the Stage Two Quantitative and Qualitative evaluation;
- A comparison to a reasonable range of data and analyses on expected offshore wind prices, industry costs, and the anticipated cost impact of future technologies;
- Ratepayer bill impacts;
- Any benefits to customers that may not have been fully captured in the Stage Two evaluation; and,
- Any other considerations, as appropriate, to ensure selection of the proposal(s) which provide the greatest impact and value consistent with the stated objectives and requirements of Section 83C, as set forth in this RFP.

The objective of Stage Three is to select the proposal(s) that provides the greatest impact and value consistent with the stated objectives and requirements of Section 83C, as set forth in this RFP. Generally, the Evaluation Team prefers viable, cost-effective projects with limited risk. However, the Evaluation Team recognizes that any particular project may not be ranked highly with respect to all of these considerations and the extent to which the stated RFP objectives will be satisfied will depend, in large part, on the particulars of the proposals that are submitted.

Under Section 83C, if the Distribution Companies are unable to agree on the selection of proposals among themselves, then the DOER in consultation with the Independent Evaluator shall make the final binding determination of the winning bid(s).

2.5 Contracting/Tariff Process

2.5.1 Contracts

Bidders will be notified whether they have been selected to negotiate a Long-Term Contract. If a proposal is selected by the Distribution Companies, then each Distribution Company will negotiate to contract for its load ratio share. Contract finalization between the selected bidders and the Distribution Companies may occur on a rolling basis throughout the 195-day period during which the proposals are valid.

National Grid	NSTAR dba Eversource	WMECO dba Eversource	Unitil
46.16%	45.05%	7.80%	0.99%

2.5.2 Transmission and Other FERC-Jurisdictional Tariffs

Selected bidders will file any necessary Rate Schedules or Tariff and Service Agreements with FERC pursuant to Section 205 of the Federal Power Act. Any allocation of the Offshore Delivery Facilities projects among the Distribution Companies will be based upon their load ratio percentage.

2.6 Contract Negotiation Process

Bidders must be able to begin negotiations immediately upon notification of selection, including the resolution of any conflicts that their selected counsel or other representatives may have with any of the Distribution Companies. The Distribution Companies expect to coordinate their negotiation of Long-Term Contracts with individual bidders, although there will be differences in the contracts that are specific to the contracting requirements of each Distribution Company. The bidders will enter into separate Long-Term Contracts with each Distribution Company with which they contract.

The total energy and/or RECs included in a successful bid will be allocated among the Distribution Companies based upon their total distribution loads in Massachusetts. The Distribution Companies reserve the right to seek improvements (including reduced prices) during the negotiations process with selected bidders.

2.7 Regulatory Approval

The Distribution Companies' obligations to procure Offshore Wind Energy Generation are conditioned upon approval of the Long – Term Contracts, Rate Schedules, and Tariffs and associated cost recovery by the DPU. Once the parties have executed a Long-Term Contract, the Distribution Companies shall submit the executed Long-Term Contract to the DPU for approval.

In the case of rates that fall under federal authority, such charges are subject to the review and approval of FERC pursuant to the Federal Power Act. The Distribution Companies' obligations under such rate schedules are also conditioned upon approval of the associated cost recovery by the DPU.

It is the bidder's responsibility to identify and obtain all required regulatory approvals from the appropriate regulatory authorities. Any 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.

2.7.1 DPU Regulatory Process

Under Section 83C the obligations of the Distribution Companies and the successful bidders to perform under each Long-Term Contract shall not become effective or binding until receipt of the approval of the DPU as described in Section 2.6 of this RFP. After a Distribution Company and successful bidder have executed a Long-Term Contract that satisfies the requirements of Section 83C as a result of this RFP process, the Distribution Companies intend to submit the proposed Long-Term Contract to the DPU for review and approval within 45 days of execution, unless circumstances require a longer period to prepare the DPU filing materials.

The DPU has promulgated regulations at 220 C.M.R. § 23.00, *et seq.*, setting forth the criteria for its review pursuant to the requirements of Section 83C. When evaluating a proposed Long-Term Contract under Section 83C, the DPU will consider the recommendations of the AGO, which must be submitted to the DPU within **45 days** of the filing of the proposed contract.

Once the DPU issues a decision approving a Distribution Company's request for approval of an executed Long-Term Contract under Section 83C, the Distribution Company 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 DPU's approval. Each Distribution Company shall have the opportunity to terminate the Long-Term Contract if the DPU's approval contains terms or conditions that are deemed to be unsatisfactory to the Distribution Company, in its sole discretion. Terms or conditions that may be unsatisfactory include but are not limited to denial of annual remuneration of up to 2.75 percent of the annual payments under the Long-Term Contract, which is required by Section 83C and is intended to compensate the Distribution Company for accepting the financial obligation of the Long-Term Contract at issue.

2.7.2 FERC

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

3 Instructions to Bidders

3.1 Schedule for the Bidding Process

The proposed schedule for the bidding process is set forth in Chart 1. Any changes to the schedule up to and including the due date for submission of proposals will be posted at

the Distribution Companies website, **MACleanEnergy.com**. The Evaluation Team reserves the right to revise the schedule as necessary. In addition, the Evaluation Team reserves the right to establish a schedule that is different than the one set forth in this RFP.

Chart 1
RFP Schedule

Event	Anticipated Dates
Issue RFP	June 29, 2017
Bidders Conference	July 19, 2017
Submit Notice of Intent to Bid	July 26, 2017
Deadline for Submission of Questions	July 26, 2017
Due Date for Submission of Proposals	December 20, 2017
Selection of Projects for Negotiation	April 23, 2018
Negotiate and Execute Long Term Contracts	July 2, 2018
Submit Long Term Contracts for DPU Approval	July 31, 2018

3.2 Bidders Conference; Bidder Questions; Notice of Intent to Bid

A Bidders Conference will be held for interested persons approximately x weeks after the final RFP document is posted on **MACleanEnergy.com**. The purpose of the Bidders Conference is to provide the opportunity to clarify any aspects of this RFP.

Prospective bidders are encouraged to submit questions about this RFP to the Evaluation Team on or before the deadline for submission of questions listed in the schedule. The Evaluation Team will answer questions submitted by that deadline by posting the questions and answers at **MACleanEnergy.com**.

The Evaluation Team will also accept written questions pertaining to the RFP following the Bidders Conference up to the date set forth in Chart 1, above. Both the questions and the written responses will be posted on **MACleanenergy.com** (without identifying the bidder who asked the question).

Although the Evaluation Team may respond orally to questions posed at the Bidders Conference, only written answers that are provided in response to written questions will be official responses.

Prospective bidders are encouraged to submit a Notice of Intent to Bid form within 21 days of the date of this RFP, which is attached as Appendix A to this RFP. Please submit the Notice of Intent to bid to **marfp83c@gmail.com**. The Evaluation Team will endeavor to email updates regarding this RFP process 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 bidders who do not submit a Notice of Intent to Bid. Any Notices of Intent to Bid that are submitted will be made public so as to encourage potential bidders to match Offshore Wind Energy Generation projects with Offshore Delivery Facilities associated with Expandable Transmission Proposals.

3.3 Preparation of Proposals

Each bidder shall have sole responsibility for carefully reviewing this RFP and all attachments hereto and for thoroughly investigating and informing itself with respect to all matters pertinent to this RFP and its proposal, including pertinent ISO-NE tariffs and documents, market rules, and other information. Bidders should rely only on information provided in this RFP and any associated written updates when preparing their proposals. Each 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. Submission of proposals including confidential information shall be filed in accordance with Section 1.7 of the RFP.

3.4 Organization of the Proposal

Bidders are required to organize their proposal consistent with the contents of the Bidder's Response Package in Appendix B to this RFP. 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 and Delivery Plan
5. Financial/Legal
6. Siting, Interconnection, and Deliverability
7. Environmental Assessment, Permit Acquisition Plan and New Class I RPS Certification
8. Engineering and Technology; Commercial Access to Equipment
9. Project Schedule
10. Construction and Logistics

11. Operations and Maintenance
12. Project Management/Experience
13. Emissions
14. Contribution to Employment and Economic Development and Other Direct and Indirect Benefits
15. Additional Information Required for Transmission Projects (and All System Upgrades Associated with Proposed Transmission Projects)
16. Exceptions to Form PPAs
17. Response to Transmission Tariff/ Contract Requirements

3.5 Updates to the Proposal

Bidders will not be presented with an opportunity to refresh or restate proposals but bidders may provide new information (e.g., the status of obtaining permits and financing) to the Evaluation Team about the eligible project that was not available at the time of their 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 Evaluation Team. If there are any material events that affect the validity of the bidder's proposal, the bidder must promptly notify the Evaluation Team in writing. The Evaluation Team reserves the right to consider these material changes during evaluation.

3.6 Modification or Cancellation of the RFP and Solicitation Process

The Distribution Companies may, at any time up to final award, postpone, withdraw and/or cancel this RFP; alter, extend or cancel any schedule date; and/or, alter, amend, withdraw and/or cancel any requirement, term or condition of this RFP, any and all of which shall be without any liability to DOER, the Independent Evaluator, and the Distribution Companies.

By submitting a bid, a bidder agrees that the sole recourse that it may have with respect to the conduct of this RFP is by submission of a complaint or similar filing to the DPU in a relevant docket pertaining to this RFP. Additionally, a bidder agrees to take no action inconsistent with the foregoing limitation.

3.7 Requests for Additional Information

Following the submission of proposals, the Evaluation Team or the Independent Evaluator may request clarification and additional information from 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. 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 to produce a reasonable and appropriate evaluation.

3.8 Limitation for Liability

Neither this RFP nor any other aspect of this solicitation shall create an agency, partnership, joint venture, or co-tenancy relationship among the members of the Evaluation 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

Company Name: _____

Project Name: _____

Contact Person Information:

Name	
Title/Position	
Mailing Address	
Telephone Number	
Fax Number	
Email Address	

Project Size (MW/KV) _____

Project Location: _____

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

Estimated Commercial Operation Date (Month-Year): _____

Authorized Signature: _____

Title _____ Date _____

Bidders should send the Notice of Intent to Bid Form to marfp83C@gmail.com

APPENDIX B

PROPOSAL SUBMISSION INSTRUCTIONS

All proposals shall be submitted in accordance with Section 1.7 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 and Delivery Plan
5. Financial/Legal
6. Siting, Interconnection, and Deliverability
7. Environmental Assessment, Permit Acquisition Plan and New Class I RPS Certification
8. Engineering and Technology; Commercial Access to Equipment
9. Project Schedule
10. Construction and Logistics
11. Operations and Maintenance
12. Project Management/Experience
13. Emissions
14. Contribution to Employment and Economic Development and Other Direct and Indirect Benefits
15. Additional Information Required for Transmission Projects (and All System Upgrades Associated with Proposed Transmission Projects)
16. Exceptions to Form PPAs
17. Response to Transmission Tariff/ Contract Requirements

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.MACleanEnergy.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 six 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.¹ 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 1.10 or the bid will be considered not eligible for consideration.

Part I Guidelines and Instructions for completing the spreadsheet

Part II Proposal Certification Form

Part III Bid and Contact Information

Information includes term, pricing type and contact information.

Part IV Project Information

Throughout this document, Project means all physical aspects of the bid, including generation facilities, transmission lead lines to move power to the grid, transmission proposals, and mandatory and voluntary transmission system

¹ One exception is that if operational information in Part VI of the CPPD conflicts with information elsewhere in the proposal or information otherwise known the energy production information in Part VI of the CPPD may be modified in conducting the price evaluation.

upgrades. Information includes actual or expected Commercial Operation Date, size, output, dates, technology, location, delivery point, capacity factor, percentage entitlement, contract maximum amount and other technical information.

Part V Pricing Information

Information includes annual peak and off-peak contract energy by contract year and corresponding prices, and, where applicable, RECs by contract year and corresponding prices, and alternative pricing. Information for up to five offers is input on five separate worksheets in the CPPD.

Part VI Operational Information

Information regarding projected deliverables for Eligible Facilities.

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 generation and/or transmission bid, the proposed contract term and pricing schedule, the overall project schedule and other factors the bidder deems to be important. Expandable Transmission proposals must provide the information requested below for each phase of the expansion and identify all incremental equipment and incremental costs associated with the expandable nature of the plan.

3. OPERATIONAL PARAMETERS

- 3.1 Maintenance Outage Requirements – Specify partial and complete planned outage requirements in weeks or days for all generation facilities and transmission facilities. 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).
- 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).
- 3.3 Reliability – Describe how the proposal would provide enhanced electricity reliability to Massachusetts, 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 and 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

4. ENERGY RESOURCE AND DELIVERY PLAN

4.1 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. Bidders should respond to all information requests which are relevant to the bid in a timely manner.

All Projects

Provide a summary of all collected wind data for the proposed site. Identify when and how (e.g. meteorological mast or LiDAR – for “Light Detection and Ranging”) 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 and/or “range gate” heights for sensing by LiDAR that were used to arrive at an assessment of the site generation capability.

Describe any additional wind data collection efforts that are planned or ongoing.

Provide (a) at least one year of hourly wind resource data. Real Data collected from the site is preferred, though projected data is permissible. Methodology must also be included. and (b) a wind resource assessment report from a qualified unaffiliated third-party wind resource assessment firm. 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) at both P50 and P90 levels.

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.

4.2 Offshore Wind Energy Generation Delivery Plan

Please provide an energy delivery plan and profile for the proposed project, including supporting documentation. The energy delivery profile must provide the expected Offshore Wind Energy Generation to be delivered into the ISO-NE market settlement system and permit the Evaluation Team to determine the reasonableness of the projections for purposes of Sections 2.2.1.3 Eligible Bid Categories and 2.2.1.7 Minimum Contract Size of the RFP. Such information should be consistent with the energy resource plan provided above and also considering any and all constraints to physical delivery into ISO-NE.

4.3 REC/Environmental Attribute Delivery Plan

Please provide documentation demonstrating that the project will Deliver GIS Certificates representing those RECs or Environmental Attributes.

5. **FINANCIAL/LEGAL**

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

- 5.1 Each bidder is required to submit information and documentation that demonstrates that a long term contract resulting from this RFP Process would either permit the bidder to finance its proposal that would otherwise not be financeable, or assist the bidder in obtaining financing of its proposal.
- 5.2 Please provide a description of the business entity structure of the bidder's organization from a financial and legal perspective, including all 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 and debt 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.
- 5.3 Please 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 (or are being considered to finance the project) and the related financing mechanism or mechanisms that will be used (i.e. convertible debenture, equity or other) including repayment schedules and conversion features
- ii. The project's existing initial financial structure and projected financial structure
- iii. Expected sources of debt and equity financing
- iv. Estimated construction costs
- v. The projected capital structure
- vi. Describe any agreements, both pre and post commercial operation date, 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.

- 5.4 Provide documentation illustrating the experience of the bidder 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
 - v. Current status of the project
- 5.5 Please provide evidence that the bidder has the financial resources and financial strength to complete and operate the project as planned.
- 5.6 Provide complete copies of the most recent audited financial statement and annual report for each bidder for each of the past three years; including affiliates of the bidder (if audited statements are not available, reviewed or compiled 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.

- 5.7 Please also include a list of the board of directors, officers and trustees for the past three years and any persons who the bidder knows will become officers, board members or trustees.
- 5.8 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.
- 5.9 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.
- 5.10 Describe the role of the Federal Production Tax Credit or Investment Tax Credit (or other incentives) on the financing of the project.
- 5.11 Bidders must disclose any pending (currently or in the past three years) 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.
- 5.12 What is the expected operating life of the proposed project? What is the depreciation period for all substantial physical aspects of the bid, including generation facilities, transmission lead lines to move power to the grid, transmission proposals, and mandatory and voluntary transmission system upgrades?
- 5.13 Has the bidder already obtained financing, or a commitment of financing, for the project? 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, in obtaining more favorable terms for the financing of the proposed project, or in supporting the future capital investment.
- 5.14 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.
- 5.15 List all of the Bidder's affiliated entities and joint ventures transacting business in the energy sector.

- 5.16 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?
- 5.17 Briefly describe any known conflicts of interest between Bidder or an affiliate of Bidder and any Distribution Company, or any affiliates of the foregoing.
- 5.18 Describe any litigation, disputes, claims or complaints involving the Bidder or an affiliate of Bidder, against any Distribution Company or any affiliate of any Distribution Company.
- 5.19 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.
- 5.20 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).
- 5.21 Identify all regulatory and other approvals needed by Bidder to execute a binding sale agreement.
- 5.22 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. Describe how your proposed approach is consistent with FERC precedent and ratemaking principles.
- 5.23 Describe and document any and all direct and indirect affiliations and affiliate relationships, financial or otherwise in the past three years between the bidder and one

or more of the Distribution Companies and their affiliates, including all relationships in which one of the Distribution Companies has a financial or voting interest (direct or indirect) in the bidder or the bidder's proposed project. These relationships include:

- Corporate or other joint arrangements, joint ventures, joint operations whether control exists or not;
- Minority ownership (50% or less investee);
- Joint development agreements;
- Operating segments that are consolidated as part of the financial reporting process ;
- Related parties with common ownership;
- Credit, debenture, and financing arrangements, whether a convertible equity feature is present or not;
- Wholly owned subsidiaries; and
- Commercial (including real property) relationships with any Distribution Company.

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, transmission proposals, and system upgrades are verified in their responses.

- 6.1 Provide a site plan (or plans) including a map (or maps) that clearly identifies the location of the proposed project site, Delivery Facilities 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), deployment facilities, and the relationship of the site to other local infrastructure, including transmission facilities, roadways, federal and state waters, and waterways. In addition to providing the required map(s), provide a site layout plan which illustrates the location of all major equipment and facilities on the site.

- 6.2 Identify any real property rights (e.g., fee-owned parcels, rights-of-way, development rights or easements or leases) that provide 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. 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.
 - iv. Identify any joint use of existing or proposed real property rights
- 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 landfall), including a description of the local zoning, flood plain information, existing land or waterway use, and setting.
- 6.5 Describe how the bidder plans to gain interconnection path site control and describe the status of the plan.
- 6.6 Please provide documentation to show evidence of the interconnection request to ISO-NE, the applicable New England Transmission Owner, or any neighboring control areas, to interconnect at the Capacity Capability Interconnection Standard. Please describe the status of any planned interconnection to the grid. Additionally, any studies undertaken by ISO-NE or the bidder must be provided.
- 6.7 The studies should describe the Project's electrical system performance, its impact to the reliability of the New England Transmission system, and how the project would satisfy ISO NE's I.3.9 requirements. The studies must also provide the status of any interconnection studies already underway with ISO-NE and/or the transmission owner.

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 If multiple interconnection requests have been made, please specify all such active requests which have not been superseded by subsequent requests and information regarding the status of each. Provide copies of any requests made and studies completed.
- 6.9 Projects that do not have I.3.9 approval from ISO-NE must include technical reports or system impact studies that approximate the ISO-NE interconnection process, including but not limited to clear documentation of study technical and cost assumptions, reasoning, and justification of such assumptions. All studies must assume the project will interconnect using the Capacity Capability Interconnection Standard, must use the current ISO-NE interconnection process (including network impact scenarios from multiple projects interconnecting), and must also detail any assumptions with respect to projects ahead of the proposed project in the ISO-NE interconnection queue and any assumptions as to changes to the transmission system that differ from the current ISO-NE Regional System Plan. Please include a scenario analysis that shows how changes in the project interconnection queue could impact interconnection costs.
- 6.10 To the extent that you provide an alternative interconnection scenario based on ISO-proposed interconnection process changes, you must also include studies using the proposed ISO-NE-proposed process. Any such studies must be accompanied with clear documentation of study technical and cost assumptions, reasoning, and justification of such assumptions.
- 6.11 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.
- 6.12 Provide a copy of an electrical one-line diagram showing the interconnection facilities and the relevant facilities of the transmission and/or distribution provider.
- 6.13 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.
- 6.14 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.

6.15 Please detail with supporting information and studies (as available) that the energy contemplated in your proposal is able to be delivered to the Distribution Companies without material constraint or curtailment.

6.16 Please provide sufficient information and documentation to demonstrate that the proposed point of delivery into ISO-NE, along with their proposed interconnection and transmission upgrades including any transmission upgrades beyond the point of interconnection, is sufficient to ensure full delivery of the proposal's Offshore Wind Energy Generation profile.

7 ENVIRONMENTAL ASSESSMENT, PERMIT ACQUISITION PLAN AND NEW CLASS 1 RPS CERTIFICATION

This section addresses environmental and other regulatory issues associated with project siting, development and operations for both generation and transmission projects, as applicable.

7.1 Provide a list of all the permits, licenses, and environmental assessments and/or environmental impact statements required to construct and operate the project. Along with this list, identify the governmental agencies that are responsible for issuing approval of all the permits, licenses, and environmental assessments and/or environmental impact statements. If a bidder has secured any permit or has applied for a permit, please indicate this in the response.

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 information detailing prior experience in environmental impact assessment process.
- 7.4 Provide a preliminary environmental characterization of the site and project, including both construction and operation. In addition, the bidder should identify environmental impacts associated with the proposed project and any potential impediments to development. A plan to avoid, minimize, or mitigate such impacts or impediments should also be included. The analysis should address each of the major environmental areas presented below, for the proposed project:
 - i. Air quality
 - ii. Community
 - iii. Cultural resources
 - iv. Fishery, avian, and marine mammal impacts
 - v. Other ecological biological resources (including endangered species)
 - vi. Landscape and visual
 - vii. Oceanography
 - viii. Sound, noise and vibration
 - ix. Socio-economic and land use
 - x. Traffic and transportation (including Navigation)
 - xi. Water resources (including quality and flood risk)
- 7.5 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 stakeholder map with a plan for community engagement activities. Please discuss the status of the stakeholder plan.

- 7.6 Provide documentation demonstrating that the project was or will be qualified as New Class I Renewable Portfolio Standard Eligible Resource under M.G.L. c. 25A, § 11F, and 225 CMR 14.00.
- 7.7 All bidders must include sufficient information and documentation that demonstrates that the bidder will utilize an appropriate tracking system to ensure a unit-specific accounting of the delivery of Offshore Wind Energy Generation, to enable the Department of Environmental Protection, in consultation with DOER, to accurately measure progress in achieving the commonwealth's goals under chapter 298 of the acts of 2008 or Chapter 21N of the General Laws. The RECs associated with Offshore Wind Energy Generation must be delivered into the Distribution Companies' NEPOOL GIS accounts.
- 7.8 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 for both generation and transmission components if applicable. 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 and transmission technology
 - ii. Major equipment to be used (including nacelle, hub, blade, tower, foundation, transmission structures and platforms, electrical equipment and cable)
 - iii. Manufacturer of each of the equipment components listed above as well as the location of where each component will be manufactured.
 - iv. Status of acquisition of the equipment components

- 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. Track record 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 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 a full and complete list of equipment needed for all physical aspects of the bid, including generation facilities, turbine support structures, electrical platforms, transmission lead lines, and mandatory and voluntary transmission system upgrades. If not, identify the areas of uncertainty and when the full and complete list of equipment will be identified.
- 8.6 Please indicate if the bidder has secured its equipment for all physical aspects of the bid, including generation facilities, transmission lead lines, and mandatory and voluntary transmission system upgrades. If not, identify the long-lead equipment and describe the timing for securing this equipment.

9 PROJECT SCHEDULE

A bidder must demonstrate that its proposal can be developed, financed, and constructed and be technically viable within a commercially reasonable timeframe. The bidder is required to provide sufficient information and documentation that shows that the bidder's resources, process and schedule are adequate for the acquisition of all rights, permits and approvals for

the project and for the financing of the project consistent with the proposed project milestone dates.

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.

- 9.1 Identify the elements on the critical path. The schedule should include, at a minimum, preliminary engineering, financing, 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), completion of interconnection studies and approvals, procurement, facility contracts, start of construction, construction schedule, and any other requirements that could influence the project schedule and the commercial operation date.
- 9.2 Include a discussion on use of maritime vessels and access to them. Also include a description and discussion of the laydown facility/facilities to be used for construction, assembly, staging, storage, and deployment.
- 9.3 Detail the status of all critical path items, such as receipt of all necessary siting, environmental, and ISO-NE approvals.

10 CONSTRUCTION AND LOGISTICS

This section of the proposal addresses necessary arrangements and processes for outfitting, assembly, storage and deployment of major project components such as turbine nacelles, blades, towers, foundations, and transmission support structures. Please provide a construction plan that captures the following objectives:

- 10.1 Please list the major tasks or steps associated with deployment of the proposed project and the necessary specialized equipment (e.g. vessels, cranes).
- 10.2 Please provide documentation to demonstrate site control for all marine terminals and other waterfront facilities that will be used to stage, assemble, and deploy the project for each stage of construction.
 - i. If available, evidence that the bidder or the equipment/service provider have right(s) to use a marine terminal and/or waterfront facility for construction of the offshore wind energy project (e.g., by virtue of ownership or land development rights obtained from the owner).

- ii. If not available, describe the status of acquisition of real property rights for necessary marine terminal and/or waterfront facilities, 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 schedule.
 - iii. Identify any joint use of existing or proposed real property rights for marine terminal or waterfront facilities.
- 10.3 Please describe the proposed approach for staging and deployment of major project components to the project site. Indicate the number, type and size of vessels that will be used, and their respective roles. Please include specific information on how the bidder's deployment strategy will conform to requirements of the Merchant Marine Act of 1920 (the Jones Act).
- 10.4 List the party (e.g. the bidder, or equipment/service providers under contract to the bidder) responsible for each deployment activity and describe the role of each party. Describe the status of bidder's contractual agreements with third-party equipment/service providers.

11 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.

- 11.1 Provide an O&M plan for the project that demonstrates the long term operational viability of the proposed project. The plan should include the location of the O&M base, a discussion of the staffing levels proposed for the project, the expected role of the project sponsor or turbine manufacturer/outside contractor, scheduling of major maintenance activity, and the plan for testing equipment.
- 11.2 Please provide documentation to demonstrate site control for all marine terminals and other waterfront facilities that will be used to for the O&M.
- i. If available, evidence that the bidder or the equipment/service provider have right(s) to use a marine terminal and/or waterfront facility for O&M of the offshore wind energy project (e.g., by virtue of ownership or land development rights obtained from the owner).
 - ii. If not available, describe the status of acquisition of real property rights for necessary marine terminal and/or waterfront facilities, 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 schedule.

- iii. Identify any joint use of existing or proposed real property rights for marine terminal or waterfront facilities.

- 11.3 Describe in detail the proposed O&M funding mechanism and funding levels to support planned and unplanned O&M requirements.
- 11.4 Describe the terms (or expected terms) of the warranties and/or guarantees on major equipment that the bidder is utilizing or proposing to utilize.
- 11.5 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.
- 11.6 Provide examples of the bidder's experience with O&M services for other similar projects.

12 PROJECT MANAGEMENT/EXPERIENCE

Bidders are required to demonstrate project experience and management capability to successfully develop and operate the project proposed. The Distribution Companies are particularly interested in project teams that have demonstrated success in projects of similar type, size and technology and can demonstrate an ability to work together effectively to bring the project to commercial operation in a timely fashion.

- 12.1 Provide an organizational chart for the project that lists the project participants and identifies the corporate structure, including general and limited partners.
- 12.2 Provide statements that list the specific experience of the bidder and each of the project participants (including, when applicable, the bidder, partners, and proposed contractors), in developing, financing, owning, and operating generating and transmission facilities, other projects of similar type, size and technology, and any evidence that the project participants have worked jointly on other projects.
- 12.3 Provide a management chart that lists the key personnel dedicated to this project and provide resumes of the key personnel. 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. Experience in financing power generation projects (or have the financial means to finance the project on the bidder's balance sheet).
- 12.4 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.
- 12.5 With regard to the bidder's project team, identify and describe the entity responsible for the following, as applicable:
 - i. Construction Period Lender
 - ii. Operating Period Lender and/or Tax Equity Provider
 - iii. Financial Advisor
 - iv. Environmental Consultant
 - v. Facility Operator and Manager
 - vi. Owner's Engineer
 - vii. Transmission Consultant
 - viii. Legal Counsel

12.6 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.

13. EMISSIONS

13.1 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 equivalent (CO ₂ e)	Nitrogen Oxides (NO _x)	Sulfur Oxides (SO _x)	Carbon Monoxide (CO)	Particulate Matter (PM _{2.5})	Methane (CH ₄)

13.2 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.

13.3 Describe how your project will contribute to the Massachusetts 2008 Global Warming Solutions Act (GWSA) and the 2010 Clean Energy and Climate Plan for 2020, updated in 2015. Describe how your project will contribute to the Commonwealth’s 2030, 2040 and 2050 GHG emission targets and any benefits associated with an earlier operational date.

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

- 14.1 Please provide an estimate of the number of jobs to be created directly during project development and construction, 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 and maintenance periods separately in your response.
- 14.2 Please provide the same information as provided in response to question 14.1 above but with respect to jobs that would be indirectly created as a result of the proposed project.
- 14.3 Please describe any other economic development impacts (either positive or negative) that could result from the proposed project, such as creating property tax revenues, creating lease revenues to public and private parties, or purchasing capital equipment, materials or services for local businesses. Please provide the location(s) where these economic development benefits are expected to occur.
- 14.4 Please describe any tracking or reporting mechanisms, such as an annual report(s) of milestones achieved and jobs created, to verify the contributions to employment and economic development identified in 14.1, 14.2 and 14.3.
- 14.5 To the extent not already specified elsewhere in your response, please address the factors listed in Section 2.2.2.7 and describe any benefits or impacts associated with the proposed project.
- 14.6 Please demonstrate any benefits to low-income ratepayers in the Commonwealth, and the impact, if any, those benefits will have on the cost to the project.

15. ADDITIONAL INFORMATION REQUIRED FOR TRANSMISSION PROJECTS (AND ALL SYSTEM UPGRADES ASSOCIATED WITH PROPOSED TRANSMISSION PROJECTS)

Bids that include Transmission Projects (and all System Upgrades) must also provide the following information:

- 15.1 Transmission Project Information:
 - i. Overall project description
 - ii. The operating voltage of the proposed project
 - iii. The type of structures (such as steel towers, poles or jackets) 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 as described below for transmission facilities and substation facilities in nominal year dollars.
 - a. For cost of service or modified cost of service proposals:
 - 1. 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.
 - 2. 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), as in the following illustrative table. 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.

3. Describe the proposed financing sources and instruments.
4. 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.
5. 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).

If the bidder is proposing fixed-rate pricing rather than cost-of-service or modified cost-of-service pricing, provide sufficient information and assessment to show that the proposed project, including any necessary transmission network upgrades, is financially viable. In this regard, provide capital cost estimates and operation and maintenance cost estimates and the basis for your estimates, including the extent to which estimates are based on vendor contracts or vendor quotes, your experience in the development, construction and/or operation of similar projects, your approach regarding contingency and risk management, and your proposed financing plan. All costs should be provided in nominal dollars, although inflation and cost escalation estimates should be provided. Please describe in detail the due diligence you have conducted in developing your pricing and tariff proposal.

- vii. Provide a proposed schedule for project development through release for operation that includes key critical path items, such as:
 - a. Completion of studies and receipt of approvals needed for the interconnection;
 - b. Material and equipment procurement, including identification of long lead time equipment;

- viii. Bidder must indicate whether it proposes to recover abandonment costs for its transmission project from the Distribution Companies, as described in Section 2.2.2.5.2 of this RFP. If so, Bidder must acknowledge that recovery of any such abandonment costs shall be in accordance with FERC rules and policies, and also acknowledge that in no event will a Bidder seek to recover abandonment costs if the abandonment was caused directly or indirectly by some act or failure to act of the Bidder. Bidder must further affirmatively commit not to seek from FERC or any other agency or authority any treatment of abandonment costs inconsistent with the provisions of Section 2.2.2.5.2 of the RFP. To the extent the Bidder proposes to recover abandonment costs, such proposal should be further described as set forth in Appendix C-3 of this RFP.

15.2 The proposed payment required for the transmission project and all system upgrades.

- i. All proposals must include significant cost containment as stated in the RFP.
- ii. List all situations which may change the proposed payments by consumers during the contract term.
- iii. Identify any limits placed upon the bidder's post-contract term rates according to current FERC rules.
- iv. Identify all other project revenues which may be received by the bidder during the contract term which would not reduce rates paid by consumers.
- v. If the proposed payments may change during the contract term or the proposal is based on cost of service, the bidder must 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.
- vi. 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 must be included and submitted as a working Excel spreadsheet with the formulas intact.

- a. 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. Provide the information requested in Section 14.1.a of the Bidder Response Package.
- vii. If the pricing proposed is based on cost of service, detail all cost containment commitments. Examples of such commitments include fixed price components, cost overrun restrictions, or other cost bandwidth provisions that are proposed to limit ratepayer risk must be clearly defined.
- viii. Please include full and complete descriptions of all cost containment measures that you propose to be included in your pricing. Additionally provide any supporting documentation for any savings or methods of savings including cost caps on any portion of your project. Please include working excel spreadsheets to more fully explain how your cost containment measures should work. Please provide details and notes that describe the nexus between the cost containment provisions in your proposal and those supporting documents and spreadsheets. Please provide examples about how any cost containment measures you are proposing would work.
- ix. To the extent that you are proposing different interconnection scenarios that affect cost please include full and complete cost information on each scenario. Please describe all interconnection and transmission upgrade costs required to interconnect at the Capacity Capability Interconnection Standard and to ensure full delivery of the proposed Offshore Wind Energy Generation profile, including transmission upgrades that may need to occur beyond the point of interconnection.
- x. Please describe the coordination of the availability of the Offshore Wind Energy Generation and any associated transmission or distribution facilities. All

proposals must include a project schedule, and proposals including a combination of transmission and Offshore Wind Energy Generation should propose complete critical path schedules, for both elements of the project, from the notice of selection for contract consideration to the start of commercial operations (the “Baseline Schedule”). Please describe all aspects of your proposal that protect ratepayers from risks associated with payments for transmission costs when any associated expected Offshore Wind Energy Generation, as proposed by the bidder, is absent, reduced, or curtailed as compared to the Baseline Schedule.

xi. Please describe your approach to avoid line losses.

15.3 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.

15.4 The design life of the project.

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

16. EXCEPTIONS TO FORM PPA

Please attach an explanation of any exceptions to the Form PPA set forth in Appendix C-1. Comments to the proposed Form PPA must include any specific alternative provisions in a redline format to the Form PPA.

17. RESPONSES TO TARIFF REQUIREMENTS

Transmission bids must contain a proposed tariff, rate schedule or transmission service agreement (“Transmission Agreement”) that the Bidder proposes as the vehicle for recovery of its transmission costs from the Distribution Companies and/or interconnecting generation suppliers. In addition, all transmission bids must separately contain a detailed summary of the material provisions of the proposed Transmission Agreement. Such a summary should include, but not be limited to, a discussion of the key provisions set forth in Appendix C-3, as well as a cross-reference to the corresponding sections of the proposed Transmission Agreement where such provisions may be found.

Bidders are discouraged from proposing changes to the Form PPA and or variations from the Proposed Tariff requirements.

APPENDIX C - 1

FORM OF PURCHASE AGREEMENT

[See Separate Document]

APPENDIX C - 2

FORM OF PURCHASE AGREEMENT

[See Separate Document]

APPENDIX C - 3

OFFSHORE DELIVERY FACILITIES NETWORK SERVICE AGREEMENT

APPENDIX D

CERTIFICATION AND AUTHORIZATION

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; (3) the Bidder is bidding independently and that it has no knowledge of the substance of any proposal being submitted by another party in response to this RFP other than a response submitted by the bidder's affiliate of for a project where the Bidder is also a project proponent or participant, and notice of each such affiliated bid or project must be disclosed in writing with each of the Bidder's and affiliated bidder's proposal; (4) the Bidder has no knowledge of any confidential information associated with development of the RFP; (5) the Bidder's proposal has not been developed utilizing knowledge of any non-public information associated with the development of the RFP; (6) the Bidder has not obtained any confidential bidding-related information directly or indirectly from any of the Distribution Companies, in preparation of its bid; and (7) except as disclosed by the Bidder in the relevant portions of its response, the Bidder is not an Affiliated Company of any Massachusetts investor-owned electric Distribution Company and no Distribution Company which is seeking proposals pursuant to the RFP has a financial or voting interest, controlling or otherwise in the bidder or the bidder's proposed project.

Violation of any of the above requirements may be reported to the appropriate government authorities and shall disqualify the Bidder from the RFP process.

The undersigned further certifies that the prices, terms and conditions of the Bidder's proposal are valid and shall remain open for at least 195 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. The undersigned further understands and agrees to the provisions of this RFP related to confidential information, and consents to the limited exchange and sharing of confidential information related to the Bidder's proposal as described in this RFP,

including with members of the Evaluation Team, the Independent Evaluator, ISO-NE, or and adjacent Control Area personnel.

Bidder or Bidder's Authorized Representative

Print or Type Name

Project Title(s) as Submitted to the Evaluation Team

Title

Date

APPENDIX E

MASSACHUSETTS GREEN COMMUNITIES ACT SECTION 83C

Section 83C. (a) In order to facilitate the financing of offshore wind energy generation resources in the commonwealth, not later than June 30, 2017, every distribution company shall jointly and competitively solicit proposals for offshore wind energy generation; and, provided, that reasonable proposals have been received, shall enter into cost-effective long-term contracts. Long-term contracts executed pursuant to this section shall be subject to the approval of the department of public utilities and shall be apportioned among the distribution companies.

(b) The timetable and method for solicitations of long-term contracts shall be proposed jointly by the distribution companies and the department of energy resources using a competitive bidding process, and shall be subject to review and approval by the department of public utilities. The distribution companies, in coordination with the department of energy resources, shall consult with the attorney general regarding the choice of solicitation methods. A solicitation may be coordinated and issued jointly with other New England states or entities designated by those states. The distribution companies may conduct 1 or more competitive solicitations through a staggered procurement schedule developed by the distribution companies and the department of energy resources; provided, that the schedule shall ensure that the distribution companies enter into cost-effective long-term contracts for offshore wind energy generation equal to approximately 1,600 megawatts of aggregate nameplate capacity not later than June 30, 2027; and provided further, that individual solicitations shall seek proposals for no less than 400 megawatts of aggregate nameplate capacity of offshore wind energy generation resources. A staggered procurement schedule developed by the department of energy resources, if applicable, shall specify that a subsequent solicitation shall occur within 24 months of a previous solicitation; provided, however, that the department of public utilities shall not approve a long-term contract that results from a subsequent solicitation and procurement period if the levelized price per megawatt hour, plus associated transmission costs, is greater than or equal to the levelized price per megawatt hour plus transmission costs that resulted from the previous procurement. Proposals received pursuant to a solicitation under this section shall be subject to review by the department of energy resources. If the department of energy resources, in consultation with the distribution companies and the independent evaluator, determines that reasonable proposals were not received pursuant to a solicitation, the department may terminate the solicitation, and may require additional solicitations to fulfill the requirements of this section.

(c) In developing proposed long-term contracts, the distribution companies shall consider long-term contracts for renewable energy certificates for energy and for a combination of both renewable energy certificates and energy. A distribution company may decline to pursue a proposal if the proposal's terms and conditions would require the contract obligation to place an unreasonable burden on the distribution company's balance sheet; provided, however, that the distribution company shall take all reasonable actions to structure the contracts, pricing or administration of the products purchased under this section in order to prevent or mitigate an impact on the balance sheet or income statement of the distribution company or its parent company, subject to the approval of the department of public utilities; provided further, that mitigation shall not increase costs to ratepayers. If a distribution company deems all proposals to be unreasonable, the distribution

company shall, within 20 days of the date of its decision, submit a filing to the department of public utilities. The filing shall include, in the form and detail prescribed by the department of public utilities, documentation supporting the distribution company's decision to decline the proposals. Following a distribution company's filing, and within 4 months of the date of filing, the department of public utilities shall approve or reject the distribution company's decision and may order the distribution company to reconsider any proposal. If distribution companies are unable to agree on a winning bid following a solicitation under this section, the matter shall be submitted to the department of energy resources which shall, in consultation with the independent evaluator, issue a final, binding determination of the winning bid; provided, that the final contract executed shall be subject to review by the department of public utilities. The department of energy resources may require additional solicitations to fulfill the requirements of this section.

(d) The department of public utilities shall promulgate regulations consistent with this section. The regulations shall: (1) allow offshore wind developers of offshore wind energy generation to submit proposals for long-term contracts consistent with this section; (2) require that a proposed long-term contract executed by the distribution companies under a proposal be filed with, and approved by, the department of public utilities before becoming effective; (3) provide for an annual remuneration for the contracting distribution company up to 2.75 per cent of the annual payments under the contract to compensate the company for accepting the financial obligation of the long-term contract, such provision to be acted upon by the department of public utilities at the time of contract approval; (4) require associated transmission costs to be incorporated into a proposal; provided that, to the extent there are transmission costs included in a bid, the department of public utilities may authorize or require 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; and (5) require that offshore wind energy generating resources to be used by a developer under the proposal meet the following criteria: (i) provide enhanced electricity reliability; (ii) contribute to reducing winter electricity price spikes; (iii) are cost effective to electric ratepayers in the commonwealth over the term of the contract, taking into consideration potential economic and environmental benefits to the ratepayers; (iv) avoid line loss and mitigate transmission costs to the extent possible and ensure that transmission cost overruns, if any, are not borne by ratepayers; (v) adequately demonstrate project viability in a commercially reasonable timeframe; (vi) allow offshore wind energy generation resources to be paired with energy storage systems; (vii) where possible, mitigate any environmental impacts; and (viii) where feasible, create and foster employment and economic development in the commonwealth. The department of energy resources shall give preference to proposals that demonstrate a benefit to low-income ratepayers in the commonwealth, without adding cost to the project.

(e) A proposed long-term contract shall be subject to the review and approval of the department of public utilities. As part of its approval process, the department of public utilities shall consider recommendations by the attorney general, which shall be submitted to the department of public utilities within 45 days following the filing of a proposed long-term contract with the department of public utilities. The department of public utilities shall consider the potential costs and benefits of the proposed long-term contract and shall approve a proposed long-term contract if the department finds that the proposed contract is a cost-effective mechanism for procuring reliable renewable energy on a long-term basis, taking into account the factors outlined in this section. A distribution company shall be entitled to cost recovery of payments made under a long-term contract approved under this section.

(f) The department of energy resources and the attorney general shall jointly select, and the

department of energy resources shall contract with, an independent evaluator to monitor and report on the solicitation and bid selection process in order to assist the department of energy resources in determining whether a proposal received pursuant to subsection (b) is reasonable and to assist the department of public utilities in its consideration of long-term contracts filed for approval. To ensure an open, fair and transparent solicitation and bid selection process that is not unduly influenced by an affiliated company, the independent evaluator shall: (1) issue a report to the department of public utilities analyzing the timetable and method of solicitation and the solicitation process implemented by the distribution companies and the department of energy resources under subsection (b) and include recommendations, if any, for improving the process; and (2) upon the opening of an investigation by the department of public utilities into a proposed long-term contract for a winning bid proposal, file a report with the department of public utilities that summarizes and analyzes the solicitation and the bid selection process, and provide the independent evaluator's assessment of whether all bids were evaluated in a fair and objective manner. The independent evaluator shall have access to the information and data related to the competitive solicitation and bid selection process that is necessary to fulfill the purposes of this subsection; provided, however, that the independent evaluator shall ensure that all proprietary information remains confidential. The department of public utilities shall consider the findings of the independent evaluator and may adopt recommendations made by the independent evaluator as a condition for approval. If the independent evaluator concludes in the findings that the solicitation and bid selection of a long-term contract was not fair and objective and that the process was substantially prejudiced as a result, the department of public utilities shall reject the winning bid proposal.

(g) The distribution companies shall each enter into a contract with the winning bidders for their apportioned share of the market products being purchased from the project. The apportioned share shall be calculated and based upon the total energy demand from all distribution customers in each service territory of the distribution companies.

(h) A distribution company may elect to use any energy purchased under such contracts for sale to its customers and may elect to retain renewable energy certificates to meet the applicable annual renewable portfolio standard requirements under said section 11F of said chapter 25A. If the energy and renewable energy certificates are not so used, the distribution companies shall sell the purchased energy into the wholesale market and, provided that the department of energy resources has not notified the distribution company that the renewable energy certificates should be retained to facilitate reaching emission reduction targets pursuant to [chapter 298 of the acts of 2008](#) or [chapter 21N of the General Laws](#), shall sell the purchased renewable energy certificates to minimize the costs to ratepayers under the contract; provided, however, that the department of energy resources shall conduct periodic reviews to determine the impact on the energy and renewable energy certificate markets of the disposition of energy and renewable energy certificates under this section. The department of energy resources may issue reports recommending legislative changes if it determines that said disposition of energy and renewable energy certificates is adversely affecting the energy and renewable energy certificate markets.

(i) If a distribution company sells the purchased energy into the wholesale market and sells the renewable energy certificates, the distribution company shall net the cost of payments made to projects under the long-term contracts against the net proceeds obtained from the sale of energy and renewable energy certificates, and the difference shall be credited or charged to all distribution customers through a uniform fully reconciling annual factor in distribution rates, subject to review and approval of the department of public utilities.

(j) A long-term contract procured under this section shall utilize an appropriate tracking system to ensure a unit specific accounting of the delivery of clean energy, to enable the department of

environmental protection, in consultation with the department of energy resources, to accurately measure progress in achieving the commonwealth's goals under [chapter 298 of the acts of 2008](#) or [chapter 21N of the General Laws](#).

(k) The department of energy resources and the department of public utilities may jointly develop requirements for a bond or other security to ensure performance with the requirements of this section.

(l) The department of energy resources may promulgate regulations necessary to implement this section.

(m) If this section is subjected to a legal challenge, the department of public utilities may suspend the applicability of the challenged provision during the pendency of the action until a final resolution, including any appeals, is obtained and shall issue an order and take other actions as are necessary to ensure that the provisions not subject to the challenge are implemented expeditiously to achieve the public purposes of this section.

APPENDIX F

CONFIDENTIAL INFORMATION

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 Commonwealth of Massachusetts, the Massachusetts Distribution Companies 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 Distribution Companies, 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 Distribution Company, the Massachusetts Distribution Companies 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 Distribution Companies will share bid information with (a) the Massachusetts DOER and the MA AGO to facilitate DOER's and the MA AGO's ability to perform their roles under Section 83C, which include their obligations to assess: (1) the process followed by the Massachusetts Distribution Companies; and (2) the merits of one or more PPAs proposed for approval to the MDPU and (b) the Independent Evaluator to facilitate the Independent Evaluator's performance of its role pursuant to Section 83C and this RFP. 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 Distribution Companies shall not be held responsible. Similarly, bidders shall use commercially reasonable efforts to treat all confidential information received from the Massachusetts Distribution Companies 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 Distribution Companies 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 Distribution Companies for bidder information other than as described in the previous two paragraphs, the Massachusetts Distribution Companies 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 G

UTILITY STANDARD OF CONDUCT

APPENDIX H

BID SUBMITTAL INSTRUCTIONS

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 a separate copy of the public version of the bids should be submitted to each of the contacts below in the quantities specified.

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 Energy

1 Copy of Each Version

c/o Jeffery S. Waltman
Manager, Planning & Power Supply
247 Station Drive, NE220
Westwood, MA 02090

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

Independent Evaluator

1 Copy of Each Version

c/o Paul Gromer
Peregrine Energy Group
2 Oliver Street, 8th Floor
Boston, MA 02109

BID FEE REMITTANCE

The bid fee should be calculated based upon the instructions in section 1.10 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. Calculation is made in the last column of the table for a hypothetical \$10,000 bid fee.

Payment must be submitted to each electric distribution company via wire transfer. Upon request, wire transfer information will be made available. Please send wire transfer information requests to the email address: marfp83C@gmail.com.

<u>Example Bid Fee Calculation</u>		
Unitil	0.99%	\$ 99
National Grid	46.16%	\$ 4,616
Eversource Energy	52.85%	\$ 5,285
<hr/>		
Total	100.00%	\$ 10,000