

KEEGAN WERLIN LLP

ATTORNEYS AT LAW
99 HIGH STREET, SUITE 2900
BOSTON, MASSACHUSETTS 02110

TELECOPIER:
(617) 951-1354

(617) 951-1400

March 27, 2019

Mark D. Marini, Secretary
Department of Public Utilities
One South Station, 5th Floor
Boston, MA 02110

Re: Long-Term Contracts for Offshore Wind Energy Generation Pursuant to Section 83C of Chapter 169 of the Acts of 2008 – D.P.U. 19-xxx

Dear Secretary Marini:

Section 83C of the Green Communities Act, as added by Chapter 188 of the Acts of 2016, “An Act to Promote Energy Diversity” (hereinafter “Section 83C”), provides that every Massachusetts electric 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 for offshore wind energy generation equal to approximately 1,600 megawatts (“MW”) of aggregate nameplate capacity not later than June 30, 2027.¹ Pursuant to Section 83C, and 220 C.M.R. § 23.00 et seq., Fitchburg Gas and Electric Light Company d/b/a Unitil, Massachusetts Electric Company and Nantucket Electric Company, each d/b/a National Grid, and NSTAR Electric Company d/b/a Eversource Energy (collectively, the “Distribution Companies” or “Petitioning Parties” and each a “Distribution Company”), request that the Department of Public Utilities (“Department”) approve the timetable and method for the solicitation and execution of the long-term offshore wind energy generation contracts as set forth in this filing. The method and timetable for this solicitation is subject to review and approval by the Department.

This is the second solicitation pursuant to Section 83C and is part of a staggered procurement schedule developed by the Distribution Companies and the Department of Energy Resources (“DOER”) to ensure that the Distribution Companies enter into cost-effective contracts for Offshore Wind Energy Generation equal to approximately 1,600 MW of aggregate nameplate capacity not later than June 30, 2027. The Distribution Companies issued the first Request for Proposals for Long-Term Contracts for Offshore Wind Energy Generation on June 29, 2017 in accordance with the approval of the Department, which was provided in Fitchburg Gas and Electric Light Company et al. D.P.U. 17-103 (2017). As a result of that solicitation, the Distribution Companies executed and filed for Department approval power purchase agreements for an aggregate of 800 MW of offshore wind energy generation. Thus, if those power purchase

¹ For purposes of meeting the requirements of Section 83C, “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.

agreements are approved by the Department in the pending dockets, D.P.U. 18-76/18-77/18-78, the Distribution Companies will have a remaining obligation to procure 800 MW of additional offshore wind energy generation under Section 83C. Section 83C provides that where a staggered procurement schedule is utilized to procure the mandated 1,600 MW of offshore wind energy generation, the schedule shall specify that a subsequent solicitation shall occur within 24 months of a previous solicitation.

In furtherance of the requirements of Section 83C, the Distribution Companies, in coordination with the DOER² and in consultation with the Massachusetts Attorney General's Office ("AGO") and Independent Evaluator ("IE"), have developed a new request for proposals for offshore wind energy generation ("RFP"), a copy of which is submitted herewith as Attachment A.³ The RFP encompasses the timetable and method for solicitation to be used to solicit offshore wind energy generation in accordance with Section 83C. The fundamental purpose of the RFP is to satisfy the policy directives encompassed within Section 83C and to assist the Commonwealth with meeting its Global Warming Solution Act goals. Section 83C requires the Distribution Companies, in coordination with the DOER to: (1) solicit proposals for offshore wind energy generation in a fair and non-discriminatory fashion, and (2) enter into cost-effective long-term contracts for offshore wind energy generation. The standards and criteria set forth in this RFP are designed so that the proposals selected for contract negotiations will serve the interests of Section 83C by facilitating financing and be cost effective to the Commonwealth's customers over the terms of the contracts.

The joint solicitation will be coordinated by the Evaluation Team described above. Provided that reasonable proposals have been received, the Distribution Companies will evaluate the results and project rankings received from the Evaluation Team. DOER will serve as an advisory participant to the Distribution Companies. See RFP, § 1.3. The Distribution Companies may jointly negotiate contracts, and the DOER will have the opportunity to monitor contract negotiations between the Distribution Companies and selected bidders.⁴ Further, each Distribution Company intends to enter into a contract or contracts with the winning bidders for its apportioned share of the energy and/or RECs being purchased from the bidder's project. The Distribution Companies may request Department approval of their respective contracts jointly or individually.

The expectation of the Petitioning Parties is that the Department's approval of the RFP will promote the transparency, consistency and objectivity of the solicitation process. This will, in

² The DOER fully supports the proposed RFP presented by the Distribution Companies in this filing. The description of the proposed RFP in this correspondence, however, is a requirement reserved to the Distribution Companies. See, 220 C.M.R. § 23.04(2). The DOER will confirm by separate filing that the proposed RFP is being proposed jointly by the Distribution Companies and the DOER.

³ In addition, on January 4, 2019, the DOER issued a request for stakeholder comment regarding the development of the RFP. All comments provided in response to DOER's request were posted publicly and may be accessed at: <https://macleanenergy.com/83c-ii/>.

⁴ A pro-forma contract will be posted to the <https://macleanenergy.com/83c> website for review by stakeholders following the submission of this filing to the Department. It is not being submitted to the Department for formal approval, consistent with the Department's orders in Fitchburg Gas and Electric Light Company et al., D.P.U. 09-77, at 23-24 (2009), and Fitchburg Gas and Electric Light Company et al., D.P.U. 17-32, at 42 (2017).

turn, greatly facilitate the Department's review of any subsequent individual contracts with the selected bidders so that those contracts may be approved in an efficient and timely manner in furtherance of the objectives of Section 83C.

In this RFP, the Distribution Companies are seeking to procure at least 400 MW of Offshore Wind Energy Generation, but will allow proposals from 200 MW up to approximately 800 MW. The Distribution Companies will consider procuring up to approximately 800 MW of Offshore Wind Energy Generation if the Evaluation Team determines that a larger-scale proposal is both superior to other proposals submitted in response to this RFP and is likely to produce more economic net benefits to customers based on the evaluation criteria set forth in the RFP. In accordance with Section 83C, any long-term contracts resulting from this solicitation must include a nominal levelized price per megawatt hour that is less than the levelized price per megawatt hour resulting from the previous solicitation. The precise amount of offshore wind energy generation to be contracted for by the Distribution Companies through this solicitation will depend upon evaluation of the bids submitted and any ensuing contract negotiations.

Independent Evaluator

As required by Section 83C(f), the DOER and the AGO have jointly selected, and the DOER has contracted with, an IE to monitor and report on the solicitation and bid selection process. The IE will do so in order to assist the DOER in determining whether a proposal is reasonable, and to assist the Department 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, the IE is required:

- (1) to issue a report to the Department analyzing the timetable and method of solicitation and the solicitation process implemented by the Distribution Companies and the DOER, and include recommendations, if any, for improving the process; and
- (2) upon the Department's review of a proposed long-term contract, to file a report with the Department summarizing and analyzing the solicitation and bid selection process, and providing the independent evaluator's assessment of whether all bids were evaluated in a fair and non-discriminatory manner.

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

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

Eversource and National Grid have executed Standards of Conduct documents attached as Appendix F-1 and F-2 to this RFP.⁵ The Standard of Conduct prohibits any discussion of this RFP between Distribution Company personnel participating on the Evaluation Team and Distribution Company personnel involved in the preparation of bids in response to this RFP on behalf of a Distribution Company affiliate, other than as part of discussions that are conducted as part of the RFP process (e.g., bidder conferences or formal bidder Q&A).

The Distribution Companies will be responsible for negotiation and execution of any final contracts. The DOER will have the opportunity to monitor contract negotiations between the Distribution Companies and the selected bidders. The Distribution Companies may make certain filings and conduct other regulatory compliance activities connected with this solicitation. Bidders may also be subject to certain filing requirements and other regulatory obligations pursuant to the arrangements and/or transactions they may enter into pursuant to this solicitation and the activities arising therefrom. Bidders will be responsible for identifying and satisfying such requirements and obligations applicable to them. Any FERC filings needed to support a bid will be the responsibility of the bidder.

The procurement process includes three stages of evaluation, as described in Section 2 of this RFP. In Stage One, bids will be evaluated on the basis of whether certain eligibility and threshold requirements are satisfied. In Stage Two, bids will be evaluated based on specified quantitative and qualitative criteria. In Stage Three, further evaluation of remaining bids will be conducted with the goal to ensure selection of viable projects that provide reliable offshore wind energy generation with limited risk. All three stages of the evaluation process, including the pertinent criteria, are described in further detail in Section 2 of this RFP.

Solicitation Method

The Petitioning Parties have agreed, as set forth in the proposed RFP, to a collaborative process for this solicitation of long-term contracts for offshore wind energy generation under Section 83C. The Evaluation Team, which includes DOER, will coordinate the joint solicitation. Bidders will communicate directly with the Evaluation Team through an independent email address, marfp83c@gmail.com, and are prohibited from direct contact with any individual members of the Evaluation Team or the Evaluation Team's consultant(s) regarding this RFP. The Distribution Companies, in consultation with DOER, have agreed to: (1) jointly issue the RFP, including associated forms; (2) coordinate the receipt of bid proposals through the Evaluation

⁵ Unitil does not have an affiliate that will be bidding in response to the RFP and therefore has not executed a Standard of Conduct. If there becomes a prospect that a Unitil affiliate will be a bidder, Unitil will execute a Standard of Conduct.

Team; and (3) evaluate bids jointly through the Evaluation Team. See RFP, § 1.3. The Distribution Companies are responsible for negotiation and execution of final contracts, with DOER having the right to monitor negotiations between the Distribution Companies and selected bidders. See RFP, § 1.4. Section 2 of the proposed RFP contains additional detail on the bid evaluation and selection criteria and process.

At the conclusion of the process, each Distribution Company will submit to the Department a request for approval of each executed contract, pursuant to Section 83C and the Department's regulations. See RFP, § 2.7. The Distribution Companies may elect to file their respective contracts jointly or individually. At or following the time when a Distribution Company(ies) make(s) such a filing, the IE will file a report that summarizes and analyzes the solicitation and the bid selection process, and provide an assessment of whether all bids were evaluated in a fair and objective manner.

Solicitation Timetable

After the Department approves the method and timetable for solicitation and execution of the long-term contracts, as encompassed within the RFP, the Distribution Companies will promptly issue the RFP to a wide range of potentially interested parties. As set forth in Section 3.2 of the proposed RFP, a bidders' conference will be held approximately two weeks after the RFP is issued. Potential bidders will then have the opportunity to submit written questions regarding the RFP with responses posted to the MACleanEnergy.com website. See RFP, § 3.2.

Section 3.1 of the proposed RFP lists anticipated timeframes, as follows:

Issue RFP	May 17, 2019
Submission of Confidential Proposals	August 9, 2019
Submission of Public Proposals	August 16, 2019
Selection of Projects for Negotiation	November 8, 2019
Negotiate and Execute Contracts	December 13, 2019
Submit Contracts for regulatory approval	January 10, 2020

The Distribution Companies believe that this schedule sets out a fair process for bidders and sufficient opportunity for Distribution Companies to: (1) evaluate the bids; (2) negotiate and conclude cost-effective contracts that satisfy the criteria under Section 83C; and (3) submit the resulting contract(s) to the Department for approval. After the Department issues an order on the contract(s), the Distribution Companies will have five business days after the appeal period has elapsed and after any motions or appeals are resolved to review the order to determine if there are unsatisfactory terms that require further action, including termination of the contract at each Distribution Company's sole discretion. See RFP, § 2.7.1.

Accordingly, the Distribution Companies have, pursuant to Section 83C, consulted with the DOER and the AGO regarding the choice of contracting methods and solicitation methods, and have consulted with DOER regarding the proposed timetable and have herein presented to the Department an agreed upon timetable and method for the solicitation and execution of long-term renewable power contracts. Approval of this solicitation process and proposed RFP will allow the

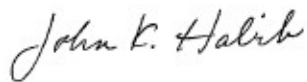
Petitioning Parties to move forward with the critically important effort of fostering the Commonwealth's renewable energy goals.

Thank you for your attention to this matter. Please contact any of the undersigned counsel if you have any questions regarding this filing.

Respectfully submitted,

**MASSACHUSETTS ELECTRIC COMPANY AND
NANTUCKET ELECTRIC COMPANY, each d/b/a NATIONAL GRID**

By its attorneys,



John K. Habib, Esq.
Matthew S. Stern, Esq.
Keegan Werlin LLP
99 High Street Suite 2900
Boston, MA 02110
617-951-1400



Laura Bickel, Esq.
Senior Counsel
40 Sylvan Road
Waltham, MA 02451
781-907-1846

**NSTAR ELECTRIC COMPANY d/b/a
EVERSOURCE ENERGY**

By its attorneys,



Danielle Winter, Esq.
Keegan Werlin LLP
99 High Street Suite 2900
Boston, MA 02110
617-951-1400

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY D/B/A UNITIL

By its attorney,



William D. Hewitt, Esq.
Roach Hewitt Ruprecht Sanchez & Bischoff, PC
66 Pearl Street
Portland, ME 04101
207-747-4870

REQUEST FOR PROPOSALS

FOR

LONG-TERM CONTRACTS FOR

OFFSHORE WIND ENERGY

PROJECTS

Issuance Date: TBD

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

Massachusetts Department of Energy Resources

Definitions

- 1. Introduction and Overview 1
 - 1.1 Purpose of the Request for Proposal..... 1
 - 1.2 The Framework Established Pursuant to Section 83C..... 2
 - 1.3 Solicitation by Distribution Companies in Coordination with the Department of Energy Resources..... 3
 - 1.4 Overview of the Procurement Process 3
 - 1.5 Independent Evaluator 4
 - 1.6 Communications Between the Evaluation Team and Bidders and Filing Protocol..... 5
 - 1.7 Proposal Submission Deadline/ Proposal Effectiveness..... 5
 - 1.7.1 Confidential Proposal Submission Deadline 5
 - 1.7.2 Public Proposal Submission Deadline 6
 - 1.7.3 Proposal Validity 6
 - 1.7.4 Submission Requirements..... 6
 - 1.7.4.1 Public Versions of Proposals..... 6
 - 1.7.4.2 Confidential Versions of Proposals 7
 - 1.7.5 Confidential Information 7
 - 1.7.5.1 Confidential Information Sharing Authorization for ISO–NE and Certain Government and Other Authorities Personnel..... 8
 - 1.7.6 Appendices..... 9
 - 1.8 Bidder Certification 9
 - 1.9 Changes or Cancellations..... 10
 - 1.10 Non-Refundable Bid Fees..... 10
- 2 Bid Evaluation and Selection Criteria and Process 11
 - 2.1 Introduction/Overview of the Process 11
 - 2.2 Stage One 11
 - 2.2.1 Eligibility, Threshold, and Other Minimum Requirements 11
 - 2.2.1.1 Eligible Bidder..... 11
 - 2.2.1.2 Eligible Proposal Size..... 12
 - 2.2.1.3 Eligible Bid Categories..... 13
 - 2.2.1.4 Pricing Requirements; Allowable Forms of Pricing..... 15
 - 2.2.1.5 Bidder Disclosure of Affiliations and Affiliate Relationships 17

2.2.1.6	Contract Term.....	18
2.2.1.7	Capacity Requirements.....	18
2.2.1.8	Interconnection and Delivery Requirements.....	19
2.2.1.9	Proposal Completeness: Bidder Response Forms and the Draft Contracts.....	22
2.2.1.9.1	Bid Fees.....	22
2.2.2	Threshold Requirements.....	22
2.2.2.1	Site Control and Related Agreements	23
2.2.2.2	Technical and Logistical Viability, Ability to Finance the Proposed Project.	24
2.2.2.3	Experience.....	24
2.2.2.4	Providing Enhanced Electricity Reliability within the Commonwealth.....	25
2.2.2.5	Contribution to Reducing Winter Electricity Price Spikes.....	25
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.....	25
2.2.2.6.1	Abandonment Costs.....	25
2.2.2.7	Adequately Demonstrate Project Viability in a Commercially Reasonable Timeframe.....	25
2.2.2.8	Contribution to Employment; Economic Development Benefits.....	26
2.2.2.9	Utilizing an Appropriate Tracking System to Account and Enable for GWSA Goals	26
2.2.2.10	Environmental and Related Impacts.....	26
2.2.2.11	Security Requirements.....	27
2.2.2.12	Unreasonable Balance Sheet Impacts.....	27
2.2.2.13	Facilitate Financing of Offshore Wind Energy Generation.....	28
2.3	Stage Two—Quantitative and Qualitative Analysis.....	28
2.3.1	Evaluation Using Quantitative Evaluation Criteria.....	28
2.3.1.1	Direct Contract Costs & Benefits.....	28
2.3.1.2	Other Costs & Benefits to Retail Consumers.....	29
2.3.1.3	Quantitative Evaluation Metrics.....	29
2.3.2	Qualitative Evaluation.....	30
2.4	Stage Three.....	33
2.5	Contracting/Tariff Process.....	34
2.5.1	Contracts.....	34
2.5.2	FERC-Jurisdictional Tariffs.....	34
2.6	Contract Negotiation Process.....	34

2.7	Regulatory Approval.....	34
2.7.1	DPU Regulatory Process.....	35
2.7.2	FERC.....	35
3	Instructions to Bidders.....	36
3.1	Schedule for the Bidding Process	36
3.2	Bidders Conference; Bidder Questions; Notice of Intent to Bid	36
3.3	Preparation of Proposals	37
3.4	Organization of the Proposal	37
3.5	Updates to the Proposal	38
3.6	Modification or Cancellation of the RFP and Solicitation Process	38
3.7	Requests for Additional Information	38
3.8	Limitation of Liability.....	39
	Appendix A	Bidders Response Package
	Appendix B-1	Form of Class 1 Power Purchase Agreement (National Grid)
	Appendix B-2	Form of Class 1 Power Purchase Agreement (Eversource)
	Appendix C	Certification
	Appendix D	Procurement Statutes
	Appendix E	Confidential Information
	Appendix F-1	Standard of Conduct - National Grid
	Appendix F-2	Standard of Conduct – Eversource
	Appendix G	Commitment Agreement
	Appendix H	Form of Certification Regarding Price Cap
	Appendix I	Bid Submittal Instructions

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.

“**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 paired with the proposed Offshore Wind Energy Generation facility and 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 electricity at that later time; (3) use mechanical, chemical or thermal processes to store energy generated from renewable resources for

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>.

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

“Environmental Attributes” means all present and future attributes under any and all international, federal, regional, state or other law or market, including without limitation all credits or certificates that are associated, either now or by future action, with the Offshore Wind Energy Generation, including but not limited to those provided for in 310 C.M.R. 7.75 and G.L. c. 25A, § 17.

“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.

Interconnection Customer’s Interconnection Facilities (“ICIF”) means all facilities and equipment located between bidder’s Offshore Wind Energy Generation facilities collector system step-up transformers and the point of change of ownership at the onshore interconnection, including any modification, addition, or upgrades to such facilities and equipment, constructed to physically and electrically interconnect the bidder’s Offshore Wind Energy Generation facilities to the onshore transmission system.

“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.

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

“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 facilities to existing onshore ISO-NE Pool Transmission Facilities (“PTF”).

“Offshore Wind Developer” means a provider of electricity developed from an offshore wind energy generation project that is located on the Outer Continental 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 The quantity of Offshore Wind Energy Generation delivered shall be measured in MWh.

“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.

“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).

“Third-Party Offshore Wind Developer” means any entity developing offshore wind energy generation facilities.

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

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 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 RECs⁸, 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 at least 400 MW of Offshore Wind Energy Generation, subject to the provisions of Section 2.2.1.2 hereof. Bidders are allowed to offer proposals from 200 MW 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 more economic net benefits to ratepayers based on the evaluation criteria set forth in this RFP.⁹

This is the second solicitation and 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 1600 MW of aggregate nameplate capacity not later than June 30, 2027. The Distribution Companies and DOER will issue subsequent solicitations within 24 months of the previous solicitations as necessary, consistent with Section 83C. In addition, Section 83C requires that Long-Term Contracts resulting from the solicitation must include a levelized price per megawatt hour, plus associated transmission costs, that is less than the levelized price per megawatt hour resulting from the previous solicitation. For more information on the levelized price per megawatt hour resulting from the previous solicitation, see Section 2.2.1.4.

⁸ Long Term Contracts for Energy and RECs, and RECs only, will include rights to all associated Environmental Attributes.

⁹ 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 ratio share basis to one or more electric distribution companies in such state, subject to applicable legal requirements in the Commonwealth and the respective state.

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.¹⁰ This RFP includes a draft contract for Offshore Wind Energy Generation (“Draft Contract”).

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.

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.

¹⁰ 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 2018

National Grid	45.41%
Eversource	53.62%
Unitil	0.97%

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, Draft Contracts, and certain other documents. The purpose of this approach is to inform prospective bidders of bid submittal and evaluation requirements in order to facilitate the bidding process. Responses to this RFP must 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 must 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 the Long-Term Contracts become 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.

Eversource and National Grid have executed the Standard of Conduct documents attached as Appendix F-1 and F-2 to this RFP. ¹¹Under these Standard of Conduct, discussion of this RFP and any bid proposed therein between personnel participating on the Distribution Company's Evaluation Team and personnel involved in the preparation of proposals in response to this RFP on behalf of a Distribution Company affiliate 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 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 based on the Stage Two quantitative and qualitative evaluation criteria and, at their discretion, additional factors, to ensure selection of viable projects that provide cost-effective, 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 and 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

¹¹ Unitil does not have an affiliate that will be bidding, and, therefore, has not executed a Standard of Conduct. If the prospect arises of a Unitil affiliate becoming a bidder, Unitil will execute a standard of conduct.

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.¹²

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 I 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. Following bid submission, each bidder is responsible to keep the Evaluation Team informed on a timely basis about the status of their proposed projects, (e.g. including but not limited to status updates in obtaining permits and financing), but these communications shall not include revisions to the bidder's proposals, unless directed by the Evaluation Team. Any bidder communications must be provided to the entire Evaluation Team by submission to the email address referenced above. For further information on updating proposals, please refer to Section 3.5.

1.7 Proposal Submission Deadline/ Proposal Effectiveness

The eighty-four (84) day timeline for the bidding process following the issuance of this RFP until the Confidential Proposal Submission Deadline, 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 Confidential Proposal Submission Deadline

August 9, 2019 at 12:00 (noon) EDT.

¹² DOER, at its discretion, may request the Independent Evaluator to monitor contract negotiations between the Distribution Companies and a winning bidder.

1.7.2 Public Proposal Submission Deadline

Bidders may submit their Public Proposal after the Confidential Proposal no later than August 16, 2019 at 12:00 (noon) EDT See 1.7.4.1. If a bidder does not elect to redact any confidential information pursuant to 1.7.4.2, the public version of the proposal must be submitted on August 9, 2019.

1.7.3 Proposal Validity

Proposals shall be valid until December 31, 2019, unless otherwise extended by mutual agreement.

1.7.4 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 G 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 E 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).

1.7.4.1 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 Public Proposal Submission 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.

1.7.4.2 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 1.7.5 of this RFP.

1.7.5 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 E to this RFP; provided, that DOER will protect any confidential information to the extent possible under applicable public records law. As part of the bid evaluation process the Evaluation Team expects to disclose bid information to the Evaluation Team Consultant, to DOER's 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 will disclose the pricing of the contracts that are filed for approval at the DPU. 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 seek protection of the confidential information, but may not object to the disclosure of the pricing of 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 any consultants, 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.

1.7.5.1 Confidential Information Sharing Authorization for ISO-NE and Certain Government and Other Authorities Personnel

ISO-NE will, and Other Authorities (including but not limited to state economic development and environmental agencies) 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.

1.7.6 Appendices

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

Appendix A	Bidders Response Package
Appendix B-1	Form of Class 1 Power Purchase Agreement (National Grid)
Appendix B-2	Form of Class 1 Power Purchase Agreement (Eversource and Unitil)
Appendix C	Certification
Appendix D	Procurement Statutes
Appendix E	Confidential Information
Appendix F-1	Standard of Conduct - National Grid
Appendix F-2	Standard of Conduct – Eversource
Appendix G	Commitment Agreement
Appendix H	Form of Certification Regarding Price Cap
Appendix I	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.
9. The bidder will continue to observe these requirements throughout the RFP process.

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 Project¹³ shall be required to pay a non-refundable bid fee which will be used to offset the cost of the evaluation of proposals and oversight of the process by the Independent Evaluator. The minimum bid fee will be \$500,000. This bid fee includes one pricing offer. Each additional pricing offer will require an additional non – refundable fee of \$25,000. 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), Energy Storage System, production/delivery profile, in-service date, or delivery location then a flat bid fee of \$50,000 is required. Bid fees must be wired to the Distribution Companies and in the allocation percentages applicable pursuant to the instructions contained in Appendix G to this RFP. The bid fee must be wired no later than the Confidential Proposal Submission Deadline, as defined in Section 1.7.1. 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

¹³ 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.

this RFP. Submission of a bid fee does not obligate the Distribution Companies to select any 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, or the stage of the evaluation at which a bid may be no longer considered.**

2 Bid Evaluation and Selection Criteria and Process

2.1 Introduction/Overview of the Process

The review of proposals will occur in three 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 based on the Stage Two quantitative and qualitative evaluation criteria and, at their discretion, additional factors, 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 the Evaluation Team reasonably believes does not meet the requirements set forth below. During any stage of the process, if the Evaluation Team determines that any proposal is deficient and missing applicable information, the Evaluation Team may, at its discretion, notify the respective bidder, and provide that bidder a reasonable opportunity to cure the deficiency and/or supply the missing information. However, it is the bidder's responsibility to ensure that all proposals are accurate and complete upon submission. 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 at least 400 MW of Offshore Wind Energy Generation.¹⁴ This solicitation also allows bidders to offer proposals from 200 MW 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 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.

However, in the event that a bidder determines in good faith and upon adequate analysis that it is unable to submit a 400 MW bid with pricing that comports with the price cap established in Section 2.2.1.4.i.a of this RFP, it may submit a certification to this effect in the form set forth in Attachment H hereto. In the event that a bidder submits such a certification, the bidder will be exempted from the requirement to submit a 400 MW proposal, but may still submit proposals of other MW sizes as otherwise allowed in this RFP.

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(s) submitted by the same eligible bidder).

If a bidder proposes to construct an eligible project in phases, it will be limited to a maximum of two (2) phases only. Associated dates for commercial operation of these phases must be offered. As noted in Section 2.2.1.6 below, in recognition of the 15 to 20 year contract term, the Evaluation Team may issue multiple Long Term Contracts for the selected projects developed in two phases. Bidders should state their proposals for the timing of phases and proposed associated contracts.

¹⁴ Bidders may propose minor variations in proposed bid/contract sizes based on expected turbine size and potential changes to expected turbine size.

2.2.1.3 Eligible Bid Categories

An eligible bidder proposing to sell Offshore Wind Energy Generation 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 must submit a separate proposal that (b) conforms to subsection 2.2.1.3.2 of this RFP. Only one bid fee is required for each set of proposals of the same MW size that respond to Sections 2.2.1.3.1 and 2.2.1.3.2, respectively, and the bidder need only provide one proposal document for both, as long as the proposal under Section 2.2.1.3.2 provides a Commitment Agreement (with any bidder markups) and each proposal under Subsections 2.2.1.3.1 and 2.2.1.3.2 providing separate pricing proposals. However, in the event that a bidder determines in good faith and upon adequate analysis that it is unable to submit one of the required proposals at a particular proposal size because it would not comport with the price cap established in Section 2.2.1.4.i.a of this RFP, it may submit a certification to this effect in the form set forth in Appendix H hereto. In the event that a bidder submits such a certification, the bidder will be exempted from the requirement to submit the required proposal, but may still submit the other required proposal as otherwise allowed in this Section 2.2.1.3 of this RFP.

All proposals must include a commitment to interconnect to the ISO-NE Pool Transmission Facilities (“PTF”) at a level equivalent to the Capacity Capability Interconnection Standard, as defined by ISO-NE, and supporting information must accompany the proposal as described below.

The bidder must provide delivery profile schedules of Offshore Wind Energy Generation with each proposal. Bidders are encouraged to provide a delivery schedule that is as accurate as possible based on historical weather data. 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.

Proposals may pair Offshore Wind Energy Generation with Energy Storage Systems. If a bidder proposes Energy Storage System pairing as an option to a bid without the Energy Storage System, this will be considered two separate bids by the Evaluation Team. To be paired with the proposed Offshore Wind Energy Generation facility, the operation of the Energy Storage System must be associated with the Offshore Wind Energy Generation and defined in the bidder’s marked Draft Contracts. The bidder

proposing Offshore Wind Energy Generation paired with Energy Storage Systems must fill out the CPPD form such that the generation profile is provided both with and without the Energy Storage System consistent with the proposed operational requirements and commitments. Bidders should propose Energy Storage operations that demonstrate the most value for Massachusetts ratepayers (e.g. by following the Commonwealth's anticipated load shape or delivering on peak).

The seller for Offshore Wind Energy Generation who fails to deliver energy and/or RECs as agreed in its contract with the Distribution Company may be responsible for liquidated damages for the energy and/or associated RECs not provided. The forms of Long-Term Contracts included in Appendix B-1 and B-2 contain the terms and conditions for the sale of Offshore Wind Energy Generation and RECs.¹⁵

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

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 propose more than one point of on-shore interconnection. A second delivery point will be considered a separate bid for evaluation purposes, which will require an additional bid fee pursuant to Section 1.10. Proposals must provide for payment from the Distribution Companies to the bidder 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 and is compliant with Section 2.2.1.4 of this RFP.

2.2.1.3.2 Required Proposal for Offshore Wind Energy Generation with a Project Specific Generator Lead Line Proposal, with a Commitment Agreement

In addition to the required proposal described in Section 2.2.1.3.1, above, bidders must also submit proposals satisfying all the requirements set forth in Section 2.2.1.3.1 but with the commitment to enter into a Voluntary Agreement, (see the Commitment Agreement as provided as Appendix G

¹⁵ 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.

to this RFP). This Commitment Agreement includes a commitment that, in the event future Third-Party Offshore Wind Developers request interconnection service on the bidder's Interconnection Customer Interconnection Facilities (ICIF), bidder will negotiate in good faith and use commercially reasonable best efforts to enter into a Voluntary Agreement with such Third-Party Offshore Wind Developers regarding interconnection to and expansion of such ICIF to accommodate the Third-Party Offshore Wind Developer's request. Such a Voluntary Agreement must incorporate study, interconnection, delivery service, and other provisions at least as favorable to said Third-Party Offshore Wind Developers as the provisions of ISO-NE OATT Schedules 22 and 23 applicable to requesters of service thereunder.¹⁶

Submitting a proposal under this Section 2.2.1.3.2 that differs from its required Section 2.2.1.3.1 proposal only in that it includes a commitment to enter into a Voluntary Agreement, together with any associated pricing, does not require an additional bid fee.

2.2.1.4 Pricing Requirements; Allowable Forms of Pricing

- i. Pricing for Offshore Wind Energy Generation and/or associated RECs must conform to the following pricing requirements:
 - a. The nominal levelized price of any proposal must be less than \$84.23 per MWh.¹⁷ Pricing must be designed to recover

¹⁶ As utilized in this RFP, "Voluntary Agreement" means a voluntary agreement as contemplated in FERC Order No. 807, 150 FERC ¶ 61,211 (2015), at PP 117-18 providing interconnection and/or delivery service to a Third Party Offshore Wind Developer without the need for a FERC order under Sections 210, 211, and 212 of the Federal Power Act ("FPA"). For the avoidance of uncertainty, note that the RFP does not require a bidder to waive any other rights under Order No. 807, including with respect to excess or unused capacity on its ICIF as initially constructed, such as those reserved by FERC regulations at 18 CFR §§ 35.28(d)(2)(ii)(A)-(B). Rather, the RFP requires only that a bidder pursue a voluntary agreement as discussed in FERC Order No. 807 at PP 117-118 if a third party requests studies and potential expansion of the bidder's ICIF to accommodate third party interconnection without the need for said third party to pursue its rights in the first instance via FPA Sections 210, 211, and 212. Such commitment to enter into a Voluntary Agreement (see the Commitment Agreement included as Attachment G hereto) ultimately executed between the winning bidder and the Distribution Companies, as well as any future Voluntary Agreements shall be filed with FERC for acceptance pursuant to FPA Section 205.

¹⁷The \$84.23/MWh nominal levelized price is equivalent to the \$64.97/MWh 2017 real dollars levelized price from the contracts executed by the Distribution Companies with Vineyard Wind, LLC in the 2017 83C solicitation, which are currently before the Department for review. Section 83C(b) states "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." The levelized nominal \$84.23/MWh is calculated in the following manner. The numerator (\$) is the product of annual energy bid prices plus annual REC bid prices (\$/MWh) multiplied by the annual energy generation (MWh) expected from the project. The denominator (MWh) is the annual energy generation (MWh) expected from the project. The net present value of the numerator and

all costs associated with the proposal, including but not limited to the cost of offshore wind generation, cost of Offshore Delivery Facilities, cost of network upgrades, and, if applicable, energy storage. The discount rate used to calculate this value is 6.99%.¹⁸

- b. 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. If bidders are proposing the pairing of an Energy Storage System, any applicable costs must be included in the proposal to sell Wind Energy Generation and/or RECs and must be on a \$/MWh and \$/REC basis, as applicable.
- c. Payments must be calculated on a \$/MWh and/or \$/REC basis for actual production following delivery. No lump sum payments, pre-payments or fees shall be paid.
- d. If a bidder is proposing a two-phased project under two contracts (one for each phase), the nominal levelized price per MWh of the first phase must not be more than 14% more expensive than the second phase.
- e. Proposals including Offshore Wind Energy Generation and RECs must provide separate prices for such Offshore Wind Energy Generation and RECs. Pricing for RECs as a percentage of the total proposed pricing of both Offshore Wind Energy Generation and RECs must be no less than 5% for each contract year of a project proposal.
- f. 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.
- g. Under the terms of the PPA, in the event that the Locational Marginal Pricing (“LMP”) for the Offshore Wind Energy Generation 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 Offshore Wind Energy Generation

the denominator is discounted over 20-years using the Distribution Companies’ load weighted average cost of capital (WACC) of 6.99% as was utilized in the 2017 83C solicitation. The resulting quotient yields the \$/MWh metric.

¹⁸ The CPPD Form contains the calculation comparing the Proposal price with the nominal levelized price of the contract produced from the previous solicitation. The Evaluation Team will utilize this calculation to determine Proposal eligibility and will not rely on any independent bidder calculations for nominal levelized price per MWh.

Delivered in each such hour; and (ii) the absolute value of the hourly LMP at such Delivery Point.

- h. National Grid is 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 by National Grid 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. These alternative proposals 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.

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 other project teams or associations, 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 A 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, contractual, financial or otherwise, between the bidder and any of the Distribution Companies and their affiliates, including any relationship in which any of the Distribution Companies or their affiliates 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;
- Project 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 there will be a maximum of 2 phases. In recognition of the 15 to 20-year contract term specified in Section 83C and if projects are developed in multiple phases, the Distribution Companies will consider issuance of multiple contracts. Bidders should state their proposed number and timing of contracts.

2.2.1.7 Capacity Requirements

- a. Each proposal must include a commitment to interconnect to the ISO-NE PTF at a Capacity Capability Interconnection Standard (“CCIS”) equivalent level. Each proposal must include a commitment to complete the Forward Capacity Auction Qualification (“FCAQ”) process set forth in Section III.13.1 of Market Rule 1 of ISO-NE’s Transmission Markets and Services Tariff, and to meet all FCAQ requirements in order to establish its ability to interconnect at this level. Bidder’s proposal must use the ISO-NE FCA Wind Qualification Template spreadsheet to approximate the qualified capacity associated with its proposed Offshore Wind Energy Generation project. The final amount of capacity to be requested and submitted by the bidder under the FCAQ will be determined in the ISO-NE FCA Wind Qualification Template spreadsheet, updated by the bidder with the required time series data for

each of the most recent Capability Years for which there is supporting data at that time

- b. Final determination of the network upgrades and other interconnection features required to support a bidder's CCIS-equivalent interconnection will be determined by the ISO-NE under the FCAQ process. However, each proposal must include a realistic and specific plan to implement any transmission system upgrades or other work anticipated to be needed to achieve CCIS-level interconnection, as identified under the FCAQ process. To the extent that ISO-NE studies have not yet been conducted to ascertain the network upgrades and other interconnection costs required to achieve such CCIS-level interconnection at the time of bidding, a bidder may include a preliminary non-binding overlapping impact study conducted by ISO-NE to identify the potential upgrades and associated costs that would be required by ISO-NE's CCIS interconnection determination, or may identify such costs through relevant studies and analyses performed by them or their consultants that approximate the ISO-NE interconnection process. These studies and their supporting documentation, assumptions, and data must match closely ISO-NE study requirements for CCIS-level interconnection. The Evaluation Team expects bidders to provide studies that are consistent with ISO-NE's approach and that approximate what the ISO-NE results would be.
- c. Notwithstanding a. and b. above, once a bidder has completed the FCAQ process to establish the upgrades necessary to interconnect to the PTF at the CCIS level, it need not continue on to actually obtain a Capacity Supply Obligation ("CSO") or participate in any Forward Capacity Auction ("FCA"). Obtaining a CSO or participating in any FCA is at the discretion of the bidder. The Distribution Companies will not purchase capacity under the Long-Term Contracts, and bidders will retain any Forward Capacity Market ("FCM") revenues received from ISO-NE.

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: (a) qualification in the FCAQ and interconnecting its project to the PTF at both the Network Capability Interconnection Standard (“NCIS”) and a CCIS-equivalent level and (b) 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 the specified and agreed delivery point. Regardless of whether or not the bidder elects to obtain a CSO and participate in the FCA, the bidder must complete any upgrades that are identified in the FCAQ process to interconnect at a level equivalent to CCIS.

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 as submitted in their bids. 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.

The delivery profile submitted by the bidder should reflect any remaining projected constraints or curtailments, if any, associated with the proposal (after inclusion of any network upgrades associated with application of the NCIS and CCIS-equivalent interconnection standard). If a bidder desires to reduce further any constraints or curtailments associated with its proposals, it must identify additional network upgrades (which would be instituted through an elective process with ISO-NE for which the bidder would have cost responsibility), estimated costs to achieve this result, and the delivery profile associated with the proposed level of network upgrades, all with supporting studies and information.

Regardless of the approach followed, bidders must demonstrate that their Offshore Wind Energy Generation profile (delivery profile) is consistent with the network upgrades identified in their proposal and that their proposed interconnection and transmission upgrades are sufficient to support full delivery of their Offshore Wind Energy Generation profile.

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 A 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 A to this RFP.

All bidders must have filed interconnection requests for Capacity Network Resource service 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 an ISO-NE Feasibility Study or a study performed by a third party in accordance with the Network Capability Interconnection Standard as defined by ISO-NE Planning Procedure 5-6. All technical reports or system impact studies should 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.

Projects with a Qualification Determination Notification ("QDN") from ISO-NE for their proposed capacity amount and commitment period as described in Section 2.2.1.7 of this RFP must include all QDN documentation in their proposal. All projects that do not have a QDN for their proposed capacity amount and commitment period must provide a study performed by ISO-NE or a third party in accordance with ISO-NE Planning Procedure 10 in order to prove ability to interconnect at the Capacity Capability Interconnection Standard. All technical reports or studies must use the current ISO-NE interconnection process 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. Proposals are encouraged to include additional reports, analysis, and studies that support their interconnection and deliverability.

The burden is on bidders to provide the Evaluation Team with information, analysis, and studies required by the Evaluation Team in order to make a determination that the proposal includes all costs associated with completing the upgrades that would be required by ISO-NE's NCIS and CCIS. Bidders must provide adequate information and analyses regarding the upgrades and must explain how the identified upgrades will satisfy this interconnection standard.

2.2.1.9 Proposal Completeness: Bidder Response Forms and the Draft Contracts

Bidders must follow the instructions provided in Appendix A to this RFP and provide complete responses. Bidders are also required to fill out Appendix C 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.

Appendices B-1 and B-2 to this RFP are the form of the Draft Contracts for this solicitation. Bidders must submit with the proposal marked versions of the Draft Contracts showing the specific proposed changes to the Draft Contracts. The marked Draft Contracts should reflect any proposed phases of the project and/or need for multiple contracts (if a Bidder proposes two contracts for two phases, the markup should include both contracts). Bidders should submit any proposed changes to the Commitment Agreement or affirm its willingness to accept the draft agreement as is. Bidders are discouraged from proposing any material changes to the Draft Contracts and the Commitment Agreement.

2.2.1.9.1 Bid Fees

Each applicant must submit the bid fee by the Confidential Proposal Submission Deadline for each proposed eligible project as described in Section 1.7.1 of this RFP.

2.2.2 Threshold Requirements

Proposals that meet all the eligibility requirements will 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 ; 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 2.2.1.3,¹⁹ 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 onshore interconnection location, and, associated Offshore Delivery Facilities.
- ii. A description and listing 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 associated Offshore Delivery Facilities and 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;

¹⁹ Thus, site control information as described in this section must be provided for all Offshore Delivery Facilities associated with the bid.

- 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 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 A 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 A 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 A 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 not to commit any qualifying capacity to any control area other than ISO-NE, 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. Section 83C requires that any transmission cost overruns are not to be borne by ratepayers which can be satisfied by submitting a compliant bid to this RFP.

2.2.2.6.1 Abandonment Costs

Under no circumstances will the Distribution Companies be responsible for any abandoned plant cost liability.

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 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. The bidder should include critical milestones in its markup to the Draft Contracts that are consistent with its proposal and are reasonably achievable.

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. Employment benefits associated with the proposed project; or,
2. 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. The proposal shall include a timeline of the short-term and long-term economic development benefits. The bidder should be prepared to provide factual support for its employment and economic development projections, and reflect any associated commitments in agreements with applicable governmental and non – governmental entities.

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 and Related Impacts

Section 83C requires that, where possible, a proposed project must demonstrate that it mitigates any environmental impacts. The proposed project must demonstrate through a fisheries mitigation plan its proposed

approach to avoid, minimize and mitigate impacts on commercial fishing industry.

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 \$40,000 multiplied by the Contract Maximum Amount (as defined in the Draft Contract, Appendix B-1 and B-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.

If a project is being developed in phases and under separate contracts, additional security equal to \$37,500/MW per contract shall be required to secure the completion of both phases to be provided at commercial operation of the first phase of the project. Further, if the pricing of the first phase exceeds the pricing of the second phase (in levelized nominal \$/MWh), then for each 1% of the difference (measured as the difference in levelized nominal \$/MWh of the difference between the two phases as a percentage of the nominal levelized \$/MWh price of the first phase), the bidder shall pay an additional \$3,125/MW (based on the total proposed MWs for both phases) in additional security to be paid at commercial operation of the first phase of the project.

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

Proposals will be evaluated on their direct and indirect economic and environmental costs and benefits to 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 comparison of the price of any RPS Class I eligible RECs under a contract to the avoided cost, with the

project not in-service, of the RECs are to be used for RPS and Clean Energy Standard compliance by the Distribution Companies or Massachusetts retail electric suppliers, and their projected market prices with the project in-service if the RECs are projected to be sold;

- iii. The direct benefits of any applicable Energy Storage System will be evaluated in accordance with (i.) above and (ii.) above.

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. Additional impacts, if any, from the proposal on the Commonwealth's GHG emission rates and overall ability to meet GWSA requirements will be evaluated using an economic proxy value for their contribution to GWSA requirements, as determined by the Evaluation Team;
- iv. Indirect impacts, if any and to the extent the Evaluation Team determines such impacts are reliably quantifiable, 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 as the quantitative evaluation metric real levelized dollars per megawatt-hour (\$/MWh) or other metric to be

determined by the Evaluation Team prior to Evaluation of the bids. 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 cost estimates associated with transmission system upgrades. The bidder is responsible for providing support for the basis for all estimates and underlying assumptions. The Evaluation Team reserves the right to adjust any bidder production profile or estimated cost (i.e., use a different profile 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. Economic Benefits to the Commonwealth

- Demonstrated ability and commitment to create and foster employment and economic development in the Commonwealth, where feasible, which may include but is not limited to:
 - Direct, measurable employment benefits associated with the proposed project;
 - Specific commitments to economic activity (project expenditures), including but not limited to
 - Investment in supply chain and infrastructure improvements to support the offshore wind industry, for example commitment to contribute to the Offshore Wind Accelerator Fund that supports the economic development activities for the offshore wind industry.
 - Investment in workforce development and environmental research facilities to support offshore wind industry.
 - Commitment to utilize port facilities and office space during project development, deployment during

construction, and operation and maintenance of the project.

- Investment in economically distressed areas.

Commitments will be evaluated on scale, credibility, firmness, and by the degree or extent the benefits are memorialized in binding commitments or agreements. Commitments that secure long-term benefits are preferred.

ii. Low Income Ratepayers in the Commonwealth

- Demonstrated direct benefits to low-income ratepayers without adding cost.

iii. Commitment Agreement

- Extent to which the Bidder accepts the Commitment Agreement

iv. Siting, Permitting, Project Schedule, and Financing Plan

- 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 financing plan.
- Extent to which project scope, including interconnection upgrades and costs are known or estimates are reasonable.
- Status and completeness of project stakeholder engagement plan.

v. Energy Storage System Benefits

- Extent to which the proposed project for Offshore Wind Energy Generation is to be paired with an Energy Storage System that demonstrates reliability and/ or operational benefits consistent with the proposed operational requirements and commitments.

vi. Reliability Benefits

- Extent to which the project provides enhanced electricity reliability within the Commonwealth including but not limited to providing benefits to the forward capacity market.

vii. Benefits, Costs, and Contract Risk

- Extent to which the bidder accepts provisions of the Draft Contracts or shifts risks or costs to buyers and their customers.
- Any additional benefit, cost, or risk identified by Evaluation Team that is determined to be reasonably likely to occur but is not reasonably quantifiable

viii. 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.
- Extent to which the project avoids, minimizes, and mitigates impacts on commercial fishing industry.

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 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 effects;
- 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;
- 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, cost, or risks 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 144-day period during which the proposals are valid.

National Grid	Eversource	Unitil
45.41%	53.62%	0.97%

2.5.2 FERC-Jurisdictional Tariffs

Selected bidders must file any necessary Rate Schedules, Tariff, and Agreements with FERC pursuant to the Federal Power Act and FERC regulations.

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 respect to 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 in a form acceptable to the Distribution Companies. 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 in a form acceptable to the Distribution Companies.

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	May 17, 2019
Bidders Conference	May 30, 2019
Deadline for Submission of Questions	June 6, 2019
Due Date for Submission of Confidential Proposals	August 9, 2019
Due Date for Submission of Public Proposals	August 16, 2019
Selection of Projects for Negotiation	November 8, 2019
Negotiate and Execute Long Term Contracts	December 13, 2019
Submit Long Term Contracts for DPU Approval	January 10, 2020

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

A Bidders Conference will be held for interested persons approximately 2 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.

It is the Bidder's responsibility to check the website for news and updates.

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 (including official answers to written questions) 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 A 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. Exceptions to Form PPAs

16. Exceptions to Commitment Agreement

3.5 Updates to the Proposal

While bidders will not be permitted to refresh, restate, or reprice proposals except as provided below, 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 material developments, favorable or unfavorable, that impact a proposal or associated project, the bidder must promptly notify the Evaluation Team in writing. The Evaluation Team reserves the right to consider this information during evaluation.

While the Distribution Companies do not anticipate requesting bidders to refresh, restate, or reprice their bids, the Distribution Companies nevertheless reserve the right, at their sole discretion, to make such a request at any time during the RFP process. In the absence of such a request, bidders may not refresh, restate, or reprice their bids for any reason.

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 the Evaluation Team may make appropriate assumptions to produce a reasonable and appropriate evaluation.

3.8 Limitation of 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

BIDDERS RESPONSE PACKAGE

SECTION 83C

REQUEST FOR PROPOSAL APPLICATION FORM

APPLICANT INFORMATION

Applicant: enter applicant name

Contact: enter name

Address: enter address

Phone: enter phone

Email: enter email

SECTION 1 OF APPENDIX A TO THE RFP
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.

SECTION 2 OF APPENDIX A TO THE RFP
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 bid, the proposed contract term and pricing schedule, the overall project schedule and other factors the bidder deems to be important. A table summarizing proposal(s) including details such as capacity (MW), commercial online date, pricing (\$/MWh), etc. is encouraged.

Enter executive summary here

**SECTION 3 OF APPENDIX A TO THE RFP
OPERATIONAL PARAMETERS**

- 3.1 Maintenance Outage Requirements – Specify partial and complete planned outage requirements in weeks or days for all generation facilities and associated facilities required for the delivery of energy from the generation facilities to the delivery point. 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).

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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).

Enter appropriate explanation in this space or reference applicable attachment(s)

- 3.3 Reliability – Describe how the proposal would provide enhanced electricity reliability to Massachusetts, including its impact on transmission constraints.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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

Enter appropriate explanation in this space or reference applicable attachment(s)

**SECTION 4 OF APPENDIX A TO THE RFP
ENERGY RESOURCE AND DELIVERY PLAN**

- 4.1 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

Indicate where the data was collected and its proximity to the proposed facility 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

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

Enter appropriate explanation in this space or reference applicable attachment(s)

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 for the proposed facility 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

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

Enter appropriate explanation in this space or reference applicable attachment(s)

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

Enter appropriate explanation in this space or reference applicable attachment(s)

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.

Enter appropriate explanation in this space or reference applicable attachment(s)

4.3 REC/Environmental Attribute Delivery Plan

Please provide documentation and information demonstrating that the project will Deliver GIS Certificates representing those RECs or Environmental Attributes. Please describe whether transfer of all GIS Certificates is authorized under the current ISO-NE GIS rules and protocols, or if a rule or protocol change is required. To the extent such change is required, please provide details regarding the proposal and the process for implementing the change.

Enter appropriate explanation in this space or reference applicable attachment(s)

4.4 Energy Storage System Operations (if applicable)

PROJECT SUMMARY: Please provide the following:

Identify if New or Existing Facility, or an upgrade to Existing Facility: _____

Technology Type

Point of Interconnection

Deliverability Restrictions (if any)

Nameplate MW AC (at 100% project completion)

Net Contract MW AC (at 100% project completion)

Storage Energy (MWh)

Discharge Duration (hours)

Full Duty Cycle Efficiency (%)

Required Cycles per year/per day

Expected annual capacity degradation (%)

Specific Battery Chemistry (if applicable)

Describe the operation of the proposed Energy Storage System: (i.e. run hour limitations, ramp rates, spinning reserves, regulation up, regulation down). Please provide proposed operational management terms that memorialize the operational commitments of the facility.

Describe the location of the Energy Storage System, the anticipated interconnection point, and the value of the relative proximity of the system to the Offshore Wind Energy Generation facility, including any decreased risk of curtailment and/or deferred investment for the Offshore Wind Energy Generation Facility

Describe the proposed technology and equipment manufacturer by name and model (include inverter characteristics if applicable).

Describe the viability and operational reliability of the proposed technology and track record of the manufacturer. Provide examples of similar applications of the same size and scope.

Please provide an energy delivery plan and profile for the proposed project, including supporting documentation. This documentation may be either an hourly storage use schedule separately from the hourly wind delivery schedule, or the following parameters of the storage technology that will be used in conjunction with the bid: Charge rate (MW), Discharge rate (MW), Storage capacity (MWh), Round-trip efficiency (%). The energy delivery profile must provide the expected Offshore Wind Energy Generation to be delivered into the ISO-NE market settlement system by the Energy Storage System and permit the Evaluation Team to determine the reasonableness of your projections. 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.

Describe the conformance of the operation of the Energy Storage System with ISO-NE's implementation of FERC order 841, including whether the proposed Energy Storage System will be classified as a Binary Storage Facility or Continuous Storage Facility, the designation of the ISO-NE Markets that the Energy Storage System would participate in, and the plan to operate in multiple ISO-NE Markets.

Please list all anticipated revenue streams associated with the Energy Storage System

- For existing facilities,
 - describe existing operations, revenues, and participation in ISO-NE Markets
 - describe any planned changes in operation, participation in ISO-NE Markets, and revenue streams
- Please describe (a) (i) the specific services and/or products that will be provided to the Distribution Companies due to the proposed operation of the Energy Storage System under your proposal and (ii) the specific costs to be paid by the Distribution Companies through the power purchase agreement for such services and/or products and (b) a statement of how the proposal complies with RFP requirements.

Green Communities Act Section 83D Request For Proposal

Please describe any additional benefits the Energy Storage System may provide not captured in the benefits provided through the operational commitments, including but not limited to,

- any non-monetizable benefits including but not limited to price changes in capacity and ancillary services markets, reduction in future market needs such as reserves or ramping, and increased capacity rating for Offshore Wind Energy Generation facility
- Emission reductions associated with the operation of the Energy Storage System and providing emission-free resources to the ancillary service markets including reserves and frequency regulation
- Value of procuring the Energy Storage System at the same time and as paired with the Offshore Wind Energy Generation facility

Enter appropriate explanation in this space or reference applicable attachment(s)

**SECTION 5 OF APPENDIX A OF THE RFP
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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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

Enter appropriate explanation in this space or reference applicable attachment(s)

- ii. The project's existing initial financial structure and projected financial structure

Enter appropriate explanation in this space or reference applicable attachment(s)

- iii. Expected sources of debt and equity financing

Enter appropriate explanation in this space or reference applicable attachment(s)

- iv. Estimated construction costs

Enter appropriate explanation in this space or reference applicable attachment(s)

- v. The projected capital structure

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

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.

Enter appropriate explanation in this space or reference applicable attachment(s)

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

Project Experience 1

Project Experience 2

Project Experience 3

Project Experience 4

Additional Project Experience

5.5 Please provide evidence that the bidder has the financial resources and financial strength to complete and operate the project as planned.

Enter appropriate explanation in this space or reference applicable attachment(s)

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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

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

Enter appropriate explanation in this space or reference applicable attachment(s)

- 5.11 Bidders must disclose any litigation or disputes in the last three year period 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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, delivery facilities to move power to the grid, and mandatory and voluntary transmission system upgrades?

Green Communities Act Section 83D Request For Proposal

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 5.14 State whether the bidder or its affiliates have executed agreements with respect to energy, RECs and/or capacity for the proposed 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. State whether the bidder or its affiliates have submitted proposals to other buyers, the status of consideration of such proposals, and the impact of such proposal(s), if they result in an executed contract or contracts, on the proposal(s) submitted in response to this RFP.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 5.15 List all of the Bidder's affiliated entities and joint ventures transacting business in the energy sector.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 5.16 Has Bidder, or any affiliate of Bidder, in the last five years, (a) consented to the appointment of, or been 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) been 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?

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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.

Green Communities Act Section 83D Request For Proposal

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 5.20 Confirm that neither Bidder nor any directors, employees or agents of Bidder, nor any affiliate of Bidder are currently under investigation by any governmental agency, and that none of the above have 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).

Enter appropriate explanation in this space or reference applicable attachment(s)

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

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 5.23 Describe and document any and all direct and indirect affiliations and affiliate relationships, contractual, 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

Green Communities Act Section 83D Request For Proposal

one of the Distribution Companies or their affiliates 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;
- Project 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

Enter appropriate explanation in this space or reference applicable attachment(s)

**SECTION 6 OF APPENDIX B TO THE RFP
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 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, Offshore Delivery Facilities project locations, the assumed right-of-way width, the total acreage for Eligible Facilities, the anticipated interconnection point (or, if applicable, multiple points for Offshore Delivery Facilities), 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.

Site plan included? Yes No If not, please explain:

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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 Offshore Delivery Facilities locations 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 Offshore Delivery Facilities locations for the entire proposed term of the PPA or tariff (e.g., by virtue of ownership or land development rights obtained from the owner)?

Yes No If not, please explain:

Enter appropriate explanation in this space or reference applicable attachment(s)

- ii. If so, please detail the Bidder's rights to control the Eligible Facility site and/or Offshore Delivery Facilities locations.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- iv. Identify any joint use of existing or proposed real property rights

Enter appropriate explanation in this space or reference applicable attachment(s)

- 6.3 Provide evidence that the Eligible Facility site and Offshore Delivery Facilities locations are properly zoned or permitted. If the Eligible Facility site and Offshore Delivery Facilities locations are 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.

Detail the zoning and permitting issues:

Enter appropriate explanation in this space or reference applicable attachment(s)

Permitting plan and timeline:

Enter appropriate explanation in this space or reference applicable attachment(s)

Start Date:

End Date:

- 6.4 Provide a description of the area surrounding the Eligible Facility site and Offshore Delivery Facilities locations (including landfall), including a description of the local zoning, flood plain information, existing land or waterway use, and setting.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 6.5 Describe how the bidder plans to gain interconnection path site control and describe the status of the plan.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 6.7 The studies should describe the Project's electrical system performance, its impact to the reliability of the New England Transmission system, how the project would satisfy ISO NE's I.3.9 requirements, and how the project will meet the Capacity Capability Interconnection Standard. 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 projects must also provide analysis that

approximates the ISO-NE CCIS interconnection analysis as defined in Planning Procedure 10. Please also provide the status of any additional interconnection studies already underway with ISO-NE and/or the transmission owner. All studies must follow the current ISO-NE interconnection procedures and detail any assumptions regarding resources ahead of the Project in the ISO-NE interconnection queue. All network upgrades identified in these studies must be clearly documented and included in the bid price. 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.

Performance and its impact:

Enter appropriate explanation in this space or reference applicable attachment(s)

Attachments:

Copy of completed I.3.9 approval or I.3.9-equivalent study attached:

If none, please explain:

Enter appropriate explanation in this space or reference applicable attachment(s)

Copy of completed CCIS-equivalent study attached:

If none, please explain:

Enter appropriate explanation in this space or reference applicable attachment(s)

Copy of Interconnection Agreement attached: If none, please explain:

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 6.9 Please provide cost estimates for any necessary network upgrades identified in the studies identified in Section 6.7

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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.

Terminal Voltages

Thermal Ratings

Impedance

From To
(bus numbers and names)

Enter appropriate explanation in this space or reference applicable attachment(s)

- Reactive compensation models as necessary

Enter appropriate explanation in this space or reference applicable attachment(s)

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

Enter appropriate explanation in this space or reference applicable attachment(s)

- 6.15 Please detail with supporting information and studies (as available) that the delivery profile contemplated in your proposal reflects any constraints or curtailments, if any, after the upgrades that are expected to take place pursuant to the CCIS standards. If you are planning to make voluntary upgrades beyond those associated with the CCIS standard, as more fully described in the RFP, please describe the transmission network upgrades necessary, their estimated cost (for which the bidder would have cost responsibility, and the impact on the proposed generation schedule by reducing remaining constraints or curtailments.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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 the scheduled delivery profile of the proposal's Offshore Wind Energy Generation.

Enter appropriate explanation in this space or reference applicable attachment(s)

**SECTION 7 OF APPENDIX A TO THE RFP
ENVIRONMENTAL ASSESSMENT, PERMIT ACQUISITION PLAN AND NEW CLASS I
RPS CERTIFICATION**

This section addresses environmental and other regulatory issues associated with project siting, development and operations for all aspects of the project (including generation, delivery, storage, interconnection, etc.), and in all jurisdictions (federal, all interested states, etc.).

- 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 and States 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 7.3 Provide information detailing prior experience in environmental impact assessment processes.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 7.4 Please provide information on any fisheries mitigation measures designed to avoid, minimize and mitigate impacts on the commercial fishing industry, including but not limited to, progress on the following practices: fisheries outreach and communication plan; project siting and design; and financial compensation.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 7.5 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

Green Communities Act Section 83D Request For Proposal

- ii. Community
- iii. Cultural resources
- iv. Fishery, avian, and marine mammal impacts
- v. Other ecological [and(?)] 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)

Enter appropriate explanation in this space or reference applicable attachment(s)

- 7.6 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 7.7 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 78 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

Green Communities Act Section 83D Request For Proposal

- 7.9 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

**SECTION 8 OF APPENDIX A TO THE RFP
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 all aspects of a project including generation, storage (as applicable) delivery, and interconnection facilities. 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 delivery technology
 - ii. Major equipment to be used (including nacelle, hub, blade, tower, foundation, delivery facilities 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

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

Green Communities Act Section 83D Request For Proposal

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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 delivery facilities, 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 8.6 Please indicate if the bidder has secured its equipment for all physical aspects of the bid, including generation facilities, delivery facilities, and mandatory and voluntary transmission system upgrades. If not, identify the long-lead equipment and describe the timing for securing this equipment.

Enter appropriate explanation in this space or reference applicable attachment(s)

**SECTION 9 OF APPENDIX A TO THE RFP
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 all aspects of 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 9.3 Detail the status of all critical path items, such as receipt of all necessary siting, environmental, and ISO-NE approvals.

Enter appropriate explanation in this space or reference applicable attachment(s)

**SECTION 10 OF APPENDIX A TO THE RFP
OPERATION 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 delivery facilities support structures, and other major components associated with delivery facilities and, and the storage facility (as applicable). 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).

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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. Evidence that the bidder or the equipment/service provider have a valid lease, or option to lease, 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).

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

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

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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).

Enter appropriate explanation in this space or reference applicable attachment(s)

Green Communities Act Section 83D Request For Proposal

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

**SECTION 11 OF APPENDIX A TO RFP
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 of all aspects of the project during the term of the contract 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 11.2 Please provide documentation to demonstrate site control for all marine terminals and other waterfront facilities that will be used for 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

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

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

Green Communities Act Section 83D Request For Proposal

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

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

Enter appropriate explanation in this space or reference applicable attachment(s)

**SECTION 12 OF APPENDIX A TO RFP
PROJECT MANAGEMENT/EXPERIENCE**

Bidders are required to demonstrate project experience and management capability to successfully develop and operate all aspects of 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

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

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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).

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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

Green Communities Act Section 83D Request For Proposal

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

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/Delivery Consultant
- viii. Legal Counsel

Enter appropriate explanation in this space or reference applicable attachment(s)

**SECTION 13 OF APPENDIX A TO THE RFP
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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

**SECTION 14 OF APPENDIX A TO THE RFP
DEMONSTRATED, VERIFIABLE COMMITMENT TO CREATE AND FOSTER
EMPLOYMENT AND ECONOMIC DEVELOPMENT AND OTHER DIRECT 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. Employment impacts should be broken out by state and the region as a whole and highlight any impacts in economically distressed areas. Please treat the development, construction, and operation and maintenance periods separately in your response. All information provided must be measurable.

Please describe the status of any contractual commitments with respect to direct job creation and provide any pertinent agreements that have been executed.

Enter appropriate explanation in this space or reference applicable attachment(s)

Enter appropriate explanation in this space or reference applicable attachment(s)

- 14.2 Please describe and quantify any other economic activity or development expected to result directly from the proposed project. Impacts should be broken out by state and the region as a whole and highlight any impacts in economically distressed areas. Direct economic activity/development will be evaluated based on scale, credibility and firmness. Commitments that secure long-term benefits are preferred. Commitments will be evaluated by the degree or extent to which the asserted benefits are contractually committed to by the bidder. Specific commitments to economic activity or development should include (but are not limited to):

- Investment in supply chain and infrastructure improvements to support the offshore wind industry, for example, commitment to contribute to the Offshore Wind Accelerator Fund that supports the economic development activities for the offshore wind industry;
- Investment in workforce development and environmental research facilities to support the offshore wind industry;
- Commitment to utilize port facilities and office space during project development, deployment during construction, and operation and maintenance of the project.

Please describe the status of any contractual commitments with respect to economic development and provide any pertinent agreements that have been executed.

- Enter appropriate explanation in this space or reference applicable attachment(s)

Green Communities Act Section 83D Request For Proposal

- 14.3 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.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 14.5 To the extent not already specified elsewhere in your response, please address the factors listed in RFP Section 2.3.2.i and describe any benefits or impacts associated with the proposed project.

Enter appropriate explanation in this space or reference applicable attachment(s)

- 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. Please provide any agreements to effectuate those benefits.

Enter appropriate explanation in this space or reference applicable attachment(s)

SECTION 15 OF APPENDIX A TO THE RFP
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. If the bidder is proposing a two-phased project with each phase covered by a separate contract, the bidder should provide two separate contracts with specific alternative provisions to the Form PPA in redline format.

Bidders are discouraged from proposing material changes to the Form PPA.

SECTION 16 OF APPENDIX A TO THE RFP
EXCEPTIONS TO FORM COMMITMENT AGREEMENT

Please attach an explanation of any exceptions to the Commitment Agreement set forth in Appendix G. Comments to the proposed Commitment Agreement must include any specific alternative provisions in a redline format to the Commitment Agreement.

Bidders are discouraged from proposing material changes to the Commitment Agreement.

APPENDIX B - 1

FORM OF CLASS 1 POWER PURCHASE AGREEMENT (NATIONAL GRID)

[See Separate Document]

APPENDIX B - 2

FORM OF CLASS 1 POWER PURCHASE AGREEMENT (EVERSOURCE)

[See Separate Document]

APPENDIX C

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 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; (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; (8) the bidder accepts that confidential information about their proposal might be shared with any members of the Evaluation Team, the Evaluation Team Consultant, and Independent Evaluator, ISO-NE or Other Authorities personnel; and (9) the bidder will continue to observe these requirements throughout the RFP process.

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 until December 31, 2019 unless otherwise extended by mutual agreement.

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 D

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 E

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 to facilitate DOER's ability to perform its role under Section 83C, which includes its 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 full intervenor status in the proceeding. In past proceedings, full intervenor status has been granted to competitive suppliers and industry trade groups, and therefore, confidential bidder information has been

required, subject to an executed NDA, 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 F-1

STANDARD OF CONDUCT – NATIONAL GRID

STANDARD OF CONDUCT
GOVERNING ACTIVITY RELATED TO THE 2019 SOLICITATION
FOR CLEAN ENERGY RESOURCES UNDER SECTION 83C
OF THE MASSACHUSETTS GREEN COMMUNITIES ACT

March 25, 2019

INTRODUCTION

Pursuant to Section 83C of the Massachusetts Green Communities Act, the Massachusetts Electric Distribution Companies (“EDCs”), including Massachusetts Electric Company and Nantucket Electric Company, each d/b/a National Grid Energy (“EDC”), are required to jointly issue competitive solicitations for long term contracts to purchase MA Class 1 Renewable Energy and/ or Class 1 Renewable Energy Certificates from off-shore wind generating facilities and any associated transmission service (referred to herein as the “83C Round 2 Solicitation Process”).

PURPOSE

The purpose of this Standard of Conduct is to establish uniform protocols and standards to govern the conduct of National Grid employees and representatives related to the 83C Round 2 Solicitation Process. Nothing in this document is intended to affect or modify the rights, obligations or duties of the EDCs arising under applicable state or federal laws, regulations or orders, but may provide additional obligations as it relates to the 83C Round 2 Solicitation Process to the extent provided for herein.

The EDCs acknowledge the need to follow a certain standard of conduct to ensure that: the 83C Round 2 Solicitation Process is conducted in a fair, transparent, and competitive manner; all laws, regulations, rules, and standards and codes of conduct are observed, including, specifically, the Department of Public Utilities regulations 220 CMR 12.00, “Standards of Conduct for Distribution Companies and their Competitive Affiliates,” which address costs and accounting, among other things; all potential bidders are treated equally; no potential bidder, including specifically an National Grid competitive affiliate, receives preferential treatment or confidential, non-public information not available to other potential bidders, enabling it to gain an unfair competitive advantage; and the efforts of the EDCs in the 83C Round 2 Solicitation Process do not create any actual or apparent conflict of interest. The EDCs seek to avoid any actual or apparent conflict of interest by and among themselves and their affiliates who may submit a proposal and who may be participating in the solicitation and evaluation of proposals in the 83C Round 2 Solicitation Process.

STANDARDS

These standards are to be followed by all employees and representatives of National Grid participating on behalf of the EDC or a Competitive Affiliate (as defined in 220 CMR 12.02)

with respect to an RFP issued in connection with the 83C Round 2 Solicitation Process, and all such persons must review, understand, acknowledge and agree to adhere to these standards in connection therewith.

1. Effective February 26, 2019 and through and until the date described in paragraph 15 below, the EDC shall designate the individuals participating in a direct and meaningful way with respect to an RFP issued in connection with the 83C Round 2 Solicitation Process. Each such individual shall be designated to be on either a **Bid Team** or an **Evaluation Team**, no individual shall be a member of both a **Bid Team** and an **Evaluation Team**, no individual may change from one team to the other during the 83C Round 2 Solicitation Process, and no **Evaluation Team** member from the 83C Round 1 solicitation process or 83D solicitation process may be a member of a **Bid Team** during the 83C Round 2 Solicitation Process, and no **Bid Team** member from the 83C Round 1 solicitation process or 83D solicitation process may be a member of the **Evaluation Team** during the 83C Round 2 solicitation process.
 - a. The **Evaluation Team** will comprise employees and consultants/representatives of National Grid who are responsible for the planning, conduct, administration, endorsement, or oversight of the development of an RFP issued in connection with the 83C Round 2 Solicitation Process, the evaluation of proposals, selection of proposed projects, negotiation of any agreements, and related filings with state and/or federal regulatory authorities on behalf of the EDC in connection with the 83C Round 2 Solicitation Process.
 - b. The **Bid Team** will comprise employees and consultants/representatives of National Grid who are responsible for the planning, conduct, administration, endorsement, or oversight of the development of a proposal on behalf of a Competitive Affiliate in response to an RFP issued in connection with the 83C Round 2 Solicitation Process.
 - c. Individuals who are neither members of the **Bid Team** nor **Evaluation Team** but who supervise in the normal course of their job responsibilities two or more employees who are participating on the **Bid Team** and the **Evaluation Team** shall be identified as “**Common Supervisors**”.
2. With respect to each aspect of the 83C Round 2 Solicitation Process described above, the degree of participation and the conduct of the EDC or a Competitive Affiliate will be consistent with applicable state and federal laws, regulations and orders.
3. The EDC and/or a Competitive Affiliate may take further actions above and beyond these guidelines as it or they deem necessary or appropriate to avoid an actual or perceived conflict of interest in connection with the 83C Round 2 Solicitation Process or an RFP issued thereunder or to reduce the possibility of non-compliance with this Standard of Conduct.
4. Throughout the 83C Round 2 Solicitation Process, the **Bid Team** and the **Evaluation Team**

will be represented by separate in-house legal counsel. The **Bid Team** and the **Evaluation Team** may also be represented by separate outside counsel; however, outside law firms may establish ethical walls within their firms to ensure separation of attorneys supporting the **Bid Team** and those supporting the **Evaluation Team**.

5. The **Bid Team** and the **Evaluation Team** shall report through and operate within independent companies, business units or departments to the extent reasonably feasible, based on the corporate and organizational structure of National Grid at the time. Where not reasonably feasible, the EDC and Competitive Affiliate will take reasonable measures to ensure these standards are observed.
6. The EDC agrees to request the inclusion of a requirement, in any RFP issued in connection with the 83C Round 2 Solicitation Process, that bidders disclose any affiliation, ownership interest, financial interest, or other potential conflict of interest with any EDC involved in the 83C Round 2 Solicitation Process.
7. The EDC and Competitive Affiliate shall take steps designed to ensure that no confidential, non-public information is communicated or shared between or among the **Evaluation Team**, including members thereof, and the **Bid Team**, including members thereof, from the 83C Round 1 and 83D Solicitation Processes and during the 83C Round 2 Solicitation Process, except as contemplated under the rules of the 83C Round 2 Solicitation Process or RFP issued thereunder or this Standard of Conduct, regarding the following:
 - a. the planning, conduct, administration, endorsement, or oversight of the development of the 83C Round 2 Solicitation Process or an RFP issued in connection therewith, or the evaluation of proposals, or the selection of proposed projects in connection with the 83C Round 2 Solicitation Process or an RFP issued thereunder; or,
 - b. the planning, conduct, administration, endorsement, or oversight of the development of a proposal in response to an RFP issued in connection with the 83C Round 2 Solicitation Process on behalf of a Competitive Affiliate.
8. No member of the **Evaluation Team** may consult, advise or communicate directly or indirectly with a member of the **Bid Team**, and vice-versa, any confidential, non-public information during the 83C Round 2 Solicitation Process, except as contemplated under the rules of the 83C Round 2 Solicitation Process or RFP issued thereunder or this Standard of Conduct, regarding the following:
 - a) the planning, conduct, administration, endorsement, or oversight of the development of the 83C Round 2 Solicitation Process or an RFP issued in connection therewith, or the evaluation of proposals, or the selection of proposed projects in connection with the 83C Round 2 Solicitation Process or an RFP issued thereunder; or, the planning, conduct, administration, endorsement, or oversight of the development of a proposal

in response to an RFP issued in connection with the 83C Round 2 Solicitation Process on behalf of a Competitive Affiliate.

In addition, the obligations not to communicate or share confidential, non-public information applies to confidential, non-public information obtained from the 83C Round 1 and 83D solicitation processes and applies to the 83C Round 2 Solicitation Process, without regard to the effective date of this Standard of Conduct.

9. **Common Supervisors** are responsible for ensuring compliance with this Standard of Conduct and may not be a conduit and communicate directly or indirectly any confidential, non-public information obtained from a member of the **Evaluation Team** with a member of the **Bid Team**, and vice-versa, during the 83C Round 2 Solicitation Process, except as contemplated under the rules of the 83C Round 2 Solicitation Process or RFP issued thereunder or this Standard of Conduct, regarding the following:
 - a. the planning, conduct, administration, endorsement, or oversight of the development of the 83C Round 2 Solicitation Process or an RFP issued in connection therewith, or the evaluation of proposals, or the selection of proposed projects in connection with the 83C Round 2 Solicitation Process or an RFP issued thereunder; or,
 - b. the planning, conduct, administration, endorsement, or oversight of the development of a proposal in response to an RFP issued in connection with the 83C Round 2 Solicitation Process on behalf of a Competitive Affiliate.

No National Grid employee or consultant/representative that is not an **Evaluation Team** member or **Common Supervisor** shall be given access to confidential, non-public information pertaining to the planning, conduct, administration, endorsement, or oversight of the development of the 83C Round 2 Solicitation Process or an RFP issued in connection therewith, or the evaluation of proposals, or the selection of proposed projects in connection with the 83C Round 2 Solicitation Process or an RFP issued thereunder.

Further, no National Grid employee or consultant/representative that is not a **Bid Team** member or **Common Supervisor** shall be given access to confidential, non-public information pertaining to the planning, conduct, administration, endorsement, or oversight of the development of a proposal in response to an RFP issued in connection with the 83C Round 2 Solicitation Process on behalf of a Competitive Affiliate.

10. Since National Grid employees and consultants/representatives are divided into an **Evaluation Team** and a **Bid Team** subject to the terms of this Standard of Conduct, the EDC's **Evaluation Team** members may participate, as contemplated under the rules of the 83C Round 2 Solicitation Process or RFP issued thereunder, in the evaluation or selection of proposed projects submitted by a Competitive Affiliate, and the negotiation of contracts relating to any projects selected in connection with the 83C Round 2 Solicitation Process or an RFP issued thereunder, including any submitted by a Competitive Affiliate.

11. National Grid shall communicate these standards to all persons serving on the **Bid Team**, the **Evaluation Team**, or as a **Common Supervisor** and shall conduct appropriate training for such persons, and all such persons shall certify in writing at the beginning of the 83C Phase 2 Solicitation Process their commitment to honoring and complying with the Standard of Conduct, and shall certify in writing at the conclusion of the 83C Phase 2 Solicitation Process that they honored and complied with the Standard of Conduct throughout the 83C Phase 2 Solicitation Process. All persons serving on the **Bid Team**, the **Evaluation Team**, or as a **Common Supervisor** will be instructed to refer any questions regarding compliance with the Standard of Conduct to the National Grid Designated Compliance Officer. If the National Grid Designated Compliance officer becomes aware of any violation of this Standard of Conduct, he shall inform the Independent Evaluator with respect to the nature of the violation, his opinion with respect to its materiality, and with a plan, if any, to cure or mitigate such violation and to prevent the prospect of reoccurrence. Upon the request of the Independent Evaluator near or following the end of the 83C Round 2 Solicitation Process, the National Grid Designated Compliance Officer will report to the Independent Evaluator regarding compliance with this Standard of Conduct.
12. National Grid shall post on the 83C Round 2 Solicitation Process website the name of each member of the **Evaluation Team** and **Bid Team** who is, or is planned to be, a participant in the 83C Round 2 Solicitation Process. Job titles and organizational roles shall be provided to the IE. In addition, National Grid shall provide the names of the **Common Supervisors** to the Independent Evaluator, along with their job titles and organizational roles.
13. The **Evaluation Team** and **Evaluation Team** members shall not treat the bid of an affiliate bidder (including any bid where an affiliate is participating in the bid) in a preferential manner or treat any other bid in a discriminatory manner.
14. The **Bid Team** and **Bid Team** members shall properly report their services and expenditures pursuant to National Grid procedures to prevent cross-subsidization of the **Bid Team** by the EDC and its ratepayers.
15. This Standard of Conduct shall be in place until the earliest of: (1) the conclusion of all regulatory filings or approval proceedings resulting from the 83C Round 2 Solicitation Process; (2) the termination or abandonment of the 83C Round 2 Solicitation Process; (3) the withdrawal of all bids by the **Bid Team** from the 83C Round 2 Solicitation Process; (4) the written notification from the **Bid Team** to the **Evaluation Team** that the **Bid Team** will not submit a proposal in response to an RFP issued in connection with the 83C Round 2 Solicitation Process; or (5) the official notification to the **Bid Team** that its proposal(s) in response to an RFP issued in connection with the 83C Round 2 Solicitation Process was not successful; provided, however, the obligation of **Evaluation Team** members and **Common Supervisors** not to communicate or share confidential, non-public information under this Standard of Conduct shall extend for a period of five (5) years from the date that a final

Order is issued in a proceeding on the 83C Round 2 Solicitation Process by the Department of Public Utilities.

**NATIONAL GRID USA
SERVICE COMPANY, INC.**



By: _____

Name: Michael Calviou

Title: Senior Vice President

CERTIFICATE

I certify that I have been given a copy of the **STANDARD OF CONDUCT GOVERNING ACTIVITY RELATED TO THE 2019 SOLICITATION FOR CLEAN ENERGY RESOURCES UNDER SECTION 83C OF THE MASSACHUSETTS GREEN COMMUNITIES ACT**, have read its terms and conditions, and agree to follow and be bound by the standards, including specifically the confidentiality and no-conduit rules, set forth therein.

To the extent I have any questions regarding compliance with or interpretation of the Standard of Conduct, I will consult with the National Grid Designated Compliance Officer, John Boyle, Deputy General Counsel & Chief Compliance Officer (John.Boyle@nationalgrid.com or 516-545-3778).



Signed: _____

Printed Name: Michael Calviou

Title: Senior Vice President

Dated: March 26, 2019

Supervisor Name: Dean Seavers

APPENDIX F-2

STANDARD OF CONDUCT – EVERSOURCE

STANDARD OF CONDUCT
GOVERNING ACTIVITY RELATED TO THE 2019 SOLICITATION
FOR CLEAN ENERGY RESOURCES UNDER SECTION 83C
OF THE MASSACHUSETTS GREEN COMMUNITIES ACT

March 15, 2019

INTRODUCTION

Pursuant to Section 83C the Massachusetts Green Communities Act, the Massachusetts Electric Distribution Companies (“EDCs”), including NSTAR Electric Company d/b/a Eversource Energy (“EDC”), are required to jointly issue competitive solicitations for long term contracts to purchase MA Class 1 Renewable Energy and/ or Class 1 Renewable Energy Certificates from off-shore wind generating facilities and any associated transmission service (referred to herein as the “83C Round 2 Solicitation Process”).

PURPOSE

The purpose of this Standard of Conduct is to establish uniform protocols and standards to govern the conduct of Eversource employees and representatives related to the 83C Round 2 Solicitation Process. Nothing in this document is intended to affect or modify the rights, obligations or duties of the EDCs arising under applicable state or federal laws, regulations or orders, but may provide additional obligations as it relates to the 83C Round 2 Solicitation Process to the extent provided for herein.

The EDCs acknowledge the need to follow a certain standard of conduct to ensure that: the 83C Round 2 Solicitation Process is conducted in a fair, transparent, and competitive manner; all laws, regulations, rules, and standards and codes of conduct are observed, including specifically the rules prohibiting cross-subsidization of competitive affiliates by regulated utility customers; all potential bidders are treated equally; no potential bidder, including specifically an Eversource competitive affiliate, receives preferential treatment or confidential, non-public information not available to other potential bidders, enabling it to gain an unfair competitive advantage; and the efforts of the EDCs in the 83C Round 2 Solicitation Process do not create any actual or apparent conflict of interest. The EDCs seek to avoid any actual or apparent conflict of interest by and among themselves and their affiliates who may submit a proposal and who may be participating in the solicitation and evaluation of proposals in the 83C Round 2 Solicitation Process.

STANDARDS

These standards are to be followed by all employees and representatives of Eversource participating on behalf of the EDC or a Competitive Affiliate (as defined in 12 CMR 12.02) with respect to an RFP issued in connection with the 83C Round 2 Solicitation Process, and all such persons must review, understand, acknowledge and agree to adhere to these standards in

connection therewith.

1. Effective February 26, 2019 and through and until the date described in paragraph 12 below, the EDC shall designate the individuals participating in a direct and meaningful way with respect to an RFP issued in connection with the 83C Round 2 Solicitation Process. Each such individual shall be designated to be on either a **Bid Team** or an **Evaluation Team**, no individual shall be a member of both a **Bid Team** and an **Evaluation Team**, no individual may change from one team to the other during the 83C Round 2 Solicitation Process, and no **Evaluation Team** member from the 83C Round 1 solicitation process or 83D solicitation process may be a member of a **Bid Team** during the 83C Round 2 Solicitation Process, and no **Bid Team** member from the 83C Round 1 solicitation process or 83D solicitation process may be a member of the **Evaluation Team** during the 83C Round 2 solicitation process.
 - a. The **Evaluation Team** will comprise employees and consultants/representatives of Eversource who are responsible for the planning, conduct, administration, endorsement, or oversight of the development of an RFP issued in connection with the 83C Round 2 Solicitation Process, the evaluation of proposals, selection of proposed projects, negotiation of any agreements, and related filings with state and/or federal regulatory authorities on behalf of the EDC in connection with the 83C Round 2 Solicitation Process.
 - b. The **Bid Team** will comprise employees and consultants/representatives of Eversource who are responsible for the planning, conduct, administration, endorsement, or oversight of the development of a proposal on behalf of a Competitive Affiliate in response to an RFP issued in connection with the 83C Round 2 Solicitation Process.
 - c. Individuals who are neither members of the **Bid Team** nor **Evaluation Team** but who supervise in the normal course of their job responsibilities two or more employees who are participating on the **Bid Team** and the **Evaluation Team** shall be identified as “**Common Supervisors**”.
2. With respect to each aspect of the 83C Round 2 Solicitation Process described above, the degree of participation and the conduct of the EDC or a Competitive Affiliate will be consistent with applicable state and federal laws, regulations and orders.
3. The EDC and/or a Competitive Affiliate may take further actions above and beyond these guidelines as it or they deem necessary or appropriate to avoid an actual or perceived conflict of interest in connection with the 83C Round 2 Solicitation Process or an RFP issued thereunder or to reduce the possibility of non-compliance with this Standard of Conduct.
4. Throughout the 83C Round 2 Solicitation Process, the **Bid Team** and the **Evaluation Team**

will be represented by separate in-house legal counsel. The **Bid Team** and the **Evaluation Team** may also be represented by separate outside counsel; however, outside law firms may establish ethical walls within their firms to ensure separation of attorneys supporting the **Bid Team** and those supporting the **Evaluation Team**.

5. The **Bid Team** and the **Evaluation Team** shall report through and operate within independent companies, business units or departments to the extent reasonably feasible, based on the corporate and organizational structure of Eversource at the time. Where not reasonably feasible, the EDC and Competitive Affiliate will take reasonable measures to ensure these standards are observed.
6. The EDC agrees to request the inclusion of a requirement, in any RFP issued in connection with the 83C Round 2 Solicitation Process, that bidders disclose any affiliation, ownership interest, financial interest, or other potential conflict of interest with any EDC involved in the 83C Round 2 Solicitation Process.
7. The EDC and Competitive Affiliate shall take steps designed to ensure that no confidential, non-public information is communicated or shared between or among the **Evaluation Team**, including members thereof, and the **Bid Team**, including members thereof, from the 83C Round 1 and 83D Solicitation Processes and during the 83C Round 2 Solicitation Process, except as contemplated under the rules of the 83C Round 2 Solicitation Process or RFP issued thereunder or this Standard of Conduct, regarding the following:
 - a) the planning, conduct, administration, endorsement, or oversight of the development of the 83C Round 2 Solicitation Process or an RFP issued in connection therewith, or the evaluation of proposals, or the selection of proposed projects in connection with the 83C Round 2 Solicitation Process or an RFP issued thereunder; or,
 - b) the planning, conduct, administration, endorsement, or oversight of the development of a proposal in response to an RFP issued in connection with the 83C Round 2 Solicitation Process on behalf of a Competitive Affiliate.
8. No member of the **Evaluation Team** may consult, advise or communicate directly or indirectly with a member of the **Bid Team**, and vice-versa, any confidential, non-public information during the 83C Round 2 Solicitation Process, except as contemplated under the rules of the 83C Round 2 Solicitation Process or RFP issued thereunder or this Standard of Conduct, regarding the following:
 - c) the planning, conduct, administration, endorsement, or oversight of the development of the 83C Round 2 Solicitation Process or an RFP issued in connection therewith, or the evaluation of proposals, or the selection of proposed projects in connection with the 83C Round 2 Solicitation Process or an RFP issued thereunder; or,

- d) the planning, conduct, administration, endorsement, or oversight of the development of a proposal in response to an RFP issued in connection with the 83C Round 2 Solicitation Process on behalf of a Competitive Affiliate.

In addition, the obligations not to communicate or share confidential, non-public information applies to confidential, non-public information obtained from the 83C Round 1 and 83D solicitation processes and applies to the 83C Round 2 Solicitation Process, without regard to the effective date of this Standard of Conduct.

- 9. **Common Supervisors** are responsible for ensuring compliance with this Standard of Conduct and may not be a conduit and communicate directly or indirectly any confidential, non-public information obtained from a member of the **Evaluation Team** with a member of the **Bid Team**, and vice-versa, during the 83C Round 2 Solicitation Process, except as contemplated under the rules of the 83C Round 2 Solicitation Process or RFP issued thereunder or this Standard of Conduct, regarding the following:

- e) the planning, conduct, administration, endorsement, or oversight of the development of the 83C Round 2 Solicitation Process or an RFP issued in connection therewith, or the evaluation of proposals, or the selection of proposed projects in connection with the 83C Round 2 Solicitation Process or an RFP issued thereunder; or,
- f) the planning, conduct, administration, endorsement, or oversight of the development of a proposal in response to an RFP issued in connection with the 83C Round 2 Solicitation Process on behalf of a Competitive Affiliate.

No Eversource employee or consultant/representative that is not an **Evaluation Team** member or **Common Supervisor** shall be given access to confidential, non-public information pertaining to the planning, conduct, administration, endorsement, or oversight of the development of the 83C Round 2 Solicitation Process or an RFP issued in connection therewith, or the evaluation of proposals, or the selection of proposed projects in connection with the 83C Round 2 Solicitation Process or an RFP issued thereunder.

Further, no Eversource employee or consultant/representative that is not a **Bid Team** member or **Common Supervisor** shall be given access to confidential, non-public information pertaining to the planning, conduct, administration, endorsement, or oversight of the development of a proposal in response to an RFP issued in connection with the 83C Round 2 Solicitation Process on behalf of a Competitive Affiliate.

- 10. Since Eversource employees and consultants/representatives are divided into an **Evaluation Team** and a **Bid Team** subject to the terms of this Standard of Conduct, the EDC's **Evaluation Team** members may participate, as contemplated under the rules of the 83C Round 2 Solicitation Process or RFP issued thereunder, in the evaluation or selection of proposed projects submitted by a Competitive Affiliate, and the negotiation of contracts

relating to any projects selected in connection with the 83C Round 2 Solicitation Process or an RFP issued thereunder, including any submitted by a Competitive Affiliate.

11. Eversource shall communicate these standards to all persons serving on the **Bid Team**, the **Evaluation Team**, or as a **Common Supervisor** and shall conduct appropriate training for such persons, and all such persons shall certify in writing at the beginning of the 83C Phase 2 Solicitation Process their commitment to honoring and complying with the Standard of Conduct, and shall certify in writing at the conclusion of the 83C Phase 2 Solicitation Process that they honored and complied with the Standard of Conduct throughout the 83C Phase 2 Solicitation Process. All persons serving on the **Bid Team**, the **Evaluation Team**, or as a **Common Supervisor** will be instructed to refer any questions regarding compliance with the Standard of Conduct to the Eversource Chief Compliance Officer. If the Eversource Chief Compliance officer becomes aware of any violation of this Standard of Conduct, he shall inform the Independent Evaluator with respect to the nature of the violation, his opinion with respect to its materiality, and with a plan, if any, to cure or mitigate such violation and to prevent the prospect of reoccurrence. Upon the request of the Independent Evaluator near or following the end of the 83C Round 2 Solicitation Process, the Eversource Chief Compliance Officer will report to the Independent Evaluator regarding compliance with this Standard of Conduct.
12. Eversource shall post on the 83C Round 2 Solicitation Process website the name of each member of the **Evaluation Team** and **Bid Team** who is, or is planned to be, a participant in the 83C Round 2 Solicitation Process. Job titles and organizational roles shall be provided to the IE. In addition, Eversource shall provide the names of the **Common Supervisors** to the Independent Evaluator, along with their job titles and organizational roles.
13. The **Evaluation Team** and **Evaluation Team** members shall not treat the bid of an affiliate bidder (including any bid where an affiliate is participating in the bid) in a preferential manner or treat any other bid in a discriminatory manner.
14. The **Bid Team** and **Bid Team** members shall properly report their services and expenditures pursuant to Eversource procedures to prevent cross-subsidization of the **Bid Team** by the EDC and its ratepayers.
13. This Standard of Conduct shall be in place until the earliest of: (1) the conclusion of all regulatory filings or approval proceedings resulting from the 83C Round 2 Solicitation Process; (2) the termination or abandonment of the 83C Round 2 Solicitation Process; (3) the withdrawal of all bids by the **Bid Team** from the 83C Round 2 Solicitation Process; (4) the written notification from the **Bid Team** to the **Evaluation Team** that the **Bid Team** will not submit a proposal in response to an RFP issued in connection with the 83C Round 2 Solicitation Process; or (5) the official notification to the **Bid Team** that its proposal(s) in

response to an RFP issued in connection with the 83C Round 2 Solicitation Process was not successful; provided, however, the obligation of **Evaluation Team** members and **Common Supervisors** not to communicate or share confidential, non-public information under this Standard of Conduct shall extend without limit beyond the 83C Round 2 Solicitation Process.

**EVERSOURCE ENERGY
SERVICE COMPANY and
NSTAR ELECTRIC COMPANY
D/B/A EVERSOURCE ENERGY**

By: *Duncan Ross MacKay*

Duncan R. MacKay
Deputy General Counsel &
Chief Compliance Officer
Eversource Energy Service Company
107 Selden Street
Berlin, CT 06037
860-665-3495
860-665-5504 fax
duncan.mackay@eversource.com

CERTIFICATE

I certify that I have been given a copy of the **STANDARD OF CONDUCT GOVERNING ACTIVITY RELATED TO THE 2019 SOLICITATION FOR CLEAN ENERGY RESOURCES UNDER SECTION 83C OF THE MASSACHUSETTS GREEN COMMUNITIES ACT**, have read its terms and conditions, and agree to follow and be bound by the standards, including specifically the confidentiality and no-conduit rules, set forth therein.

To the extent I have any questions regarding compliance with or interpretation of the Standard of Conduct, I will consult with the Eversource Chief Compliance Officer, Duncan R. MacKay, Deputy General Counsel & Chief Compliance Officer (Duncan.MacKay@Eversource.com or 860-665-3495).

Signed: _____

Printed Name: _____

Title: _____

Dated: _____

Supervisor Name: _____

APPENDIX G

COMMITMENT AGREEMENT

Voluntary Agreement Commitment Agreement

This Voluntary Agreement Commitment Agreement (“Commitment Agreement”), dated _____, is made and entered into by and between [Bidder], (“Successful Bidder”) and [EDC] (“Distribution Company”). Successful Bidder and Distribution Company are hereinafter sometimes also referred to collectively as the “Parties.”

WITNESSETH

WHEREAS, Successful Bidder has been conditionally selected by the [EDCs] as a winning bidder under the Request for Proposals for Long-Term Contracts for Offshore Wind Energy Projects, dated _____ (the “RFP”);

WHEREAS, concurrently with the execution and delivery of this Commitment Agreement, Successful Bidder has entered into a power purchase agreement with Distribution Company (“PPA”);

WHEREAS, as part of its performance under the PPA, Successful Bidder intends to construct, or cause to be constructed, Interconnection Customer Interconnection Facilities, as defined herein (“ICIF”);

WHEREAS, Distribution Company and Successful Bidder desire to reasonably minimize obstacles to the ability of future offshore wind energy developers to deliver their energy and capacity to the onshore transmission system, possibly via interconnection with Successful Bidder’s ICIF;

NOW, THEREFORE, in consideration of the foregoing and the conditional selection of Successful Bidder under the RFP, and other consideration the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties hereby agree as follows:

1. Definitions

The following definitions shall apply to the provisions of this Commitment Agreement:

- A. Interconnection Customer’s Interconnection Facilities (“ICIF”) means all facilities and equipment located between the Successful Bidder’s offshore wind energy generation facilities collector system step-up transformers and the point of change of ownership at the onshore interconnection, including any modification, addition, or upgrades to such facilities and equipment, which facilities and equipment are constructed to physically and electrically interconnect the Successful Bidder’s offshore wind energy generation facilities to the onshore transmission system.
- B. “Third-Party Offshore Wind Developer” means any entity developing offshore wind energy generation or delivery facilities and seeking interconnection to and/or delivery service on the Successful Bidder’s ICIF pursuant to this Commitment Agreement.

- C. “Voluntary Agreement” means a voluntary agreement as contemplated in Federal Energy Regulatory Commission (“FERC”) Order No. 807¹, PP 117-18 to be entered into if a Third-Party Offshore Wind Developer requests studies and potential expansion of the Successful Bidder’s ICIF to accommodate third party interconnection and delivery service, without the need for said third party to pursue its rights in the first instance via Sections 210, 211, and 212 of the Federal Power Act (“FPA”).
2. In the event one or more Third-Party Offshore Wind Developers request interconnection to and/or delivery service on the Successful Bidder’s ICIF, Successful Bidder will study the requested interconnection and/or delivery service, provided that the Third-Party Offshore Wind Developer(s) agrees to pay the cost of such studies.
 3. Successful Bidder will negotiate in good faith and use commercially reasonable best efforts to conclude a Voluntary Agreement with any such Third-Party Offshore Wind Developer regarding expansion of, interconnection to, and delivery service over such ICIF to accommodate the Third-Party Offshore Wind Developer’s request.
 4. The Voluntary Agreement will incorporate interconnection and other provisions at least as favorable to said Third-Party Offshore Wind Developers as the provisions of ISO New England Inc. (“ISO-NE”) Open Access Transmission Tariff Schedules 22 and 23 are to requesters of interconnection service seeking to connect to facilities subject to the ISO-NE interconnection procedures in those schedules. Successful Bidder will respond to reasonable requests from ISO-NE or Third-Party Offshore Wind Developers for information deemed necessary to support an ISO-NE interconnection request by Third-Party Offshore Wind Developers on the ISO-NE system.
 5. If, after good faith attempts to conclude a Voluntary Agreement using commercially reasonable best efforts, Successful Bidder and Third-Party Offshore Wind Developer are unable to conclude such a Voluntary Agreement, Successful Bidder shall be relieved of any further obligations as to that Third-Party Offshore Wind Developer under this Commitment Agreement, and in such event, nothing herein shall diminish Third-Party Offshore Wind Developer’s rights independent of this Commitment Agreement to request relief from FERC.
 6. Third-Party Offshore Wind Developer may at any time exercise its rights under Federal Power Act Sections 206 or Sections 210, 211, and 212 that exist independent of this Commitment Agreement to file with FERC requesting an order requiring interconnection and/or delivery service on Successful Bidder’s ICIF. In the event that the Third-Party Offshore Wind Developer exercises such rights, the Successful Bidder will have no further obligations to such Third-Party Offshore Wind Developer under this Commitment Agreement.

¹ *Open Access and Priority Rights on Interconnection Customer’s Interconnection Facilities*, 150 FERC ¶ 61,211 (2015)(“Order No. 807”).

7. If an entity other than the Successful Bidder obtains ownership or successor rights in the ICIF, Successful Bidder will ensure that such other entity as well as Successful Bidder will be bound by the terms and conditions of this Commitment Agreement.
8. This Commitment Agreement is not intended to, and does not create any rights or obligations in either the Parties or any other entity except for those explicitly identified herein, nor does this Commitment Agreement affect Successful Bidder's rights under FERC's regulations at 18 CFR §§ 35.28(d)(2)(ii)(A)-(B) with respect to excess or unused capacity on Successful Bidder's ICIF. Breach of or default on this Commitment Agreement will not operate to create a breach of or default on the PPA, unless the conduct producing the breach or default of this Commitment Agreement would independently create a breach or default of the PPA.

APPENDIX H

FORM OF CERTIFICATION REGARDING PRICE CAP

**Certification of Inability to
Submit a Required Bid Meeting the Price Cap**

The Bidder has submitted one or more bids in response to the Request for Proposals for Long-Term Contracts for Offshore Wind Energy Projects, dated _____ (the "RFP"). The undersigned certifies that he or she is an authorized officer or other authorized representative of the Bidder, and certifies that he or she has personally examined and investigated, and is familiar with, all matters and information pertinent to this certification. The undersigned certifies that the statements made below and in the attached Explanation of Inability to Submit a Required Bid document are true, accurate, and complete to the best of the undersigned's knowledge and belief, and are made in good faith.

The undersigned certifies that, for the reasons set forth in its Explanation of Inability to Submit a Required Bid document attached hereto, Bidder is unable to submit one of the bid types required in the RFP on the basis that such bid, if it both met the Price Cap described in Section 2.2.1.4.i.a. of the RFP and conformed to the other requirements of the RFP, would be Economically Unviable for the Bidder. "Economically Unviable," as the term is used herein, means a bid that the Bidder would not voluntarily submit as a stand-alone bid in the exercise of reasonable commercial judgment in the ordinary course of business.

The Bidder is unable to submit the following bid for the reasons identified above (check the appropriate box):

- any 400 MW bid;
- a bid of __ MW required pursuant to RFP Section 2.2.1.3.1 because Bidder is submitting another bid of the same MW size pursuant to Section 2.2.1.3.2
- a bid of __ MW required pursuant to RFP Section 2.2.1.3.2 because Bidder is submitting another bid of the same MW size pursuant to Section 2.2.1.3.1.

The undersigned has submitted herewith an Explanation of Inability to Submit a Required Bid document that includes (i) a quantitative statement based on adequate analysis identifying at approximately what Price Cap level bidder would have been able to submit the specified bid, and (ii) a narrative explanation of the quantitative analysis leading to this conclusion, and any other circumstances relevant to bidder's determination that the specified bid would be Economically Unviable.

The undersigned understands that a false statement in this certification or the attached Explanation of Inability to Bid document shall disqualify the Bidder from the RFP process and may be reported to the appropriate government authorities.

Bidder or Bidder's Authorized Representative

Print or Type Name

Project Title(s) as Submitted to the Soliciting Parties

Title

Date

EXPLANATION FOR INABILITY TO SUBMIT A REQUIRED BID