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Massachusetts Department of Energy Resources
Boston, MA
Submitted via email: marian.swain@mass.gov

March 1, 2023

Form Energy Comments on Massachusetts 83C Round 4 Offshore Wind Solicitation

Dear Deputy Director Swain,

Form Energy appreciates the opportunity to comment on the Massachusetts Department of Energy Resources's (DOER) Round 4 Offshore Wind Solicitation. We focus our comments narrowly on several changes made to Section 83C by *An Act Driving Clean Energy and Offshore Wind (2022 Offshore Wind Act)*.[1] The Act recognizes that while the Commonwealth must continue to procure offshore wind generation resources to meet its decarbonization goals, the region cannot rely solely upon variable energy resources, because of well-established concerns about grid reliability and energy security. Sections 60 and 61 of the Act address those concerns by identifying the need for long-duration energy storage to be incorporated into offshore wind bids to provide firm energy delivery and value for Massachusetts electric customers.

Summary Recommendations[2]

In particular, to implement the 2022 Offshore Wind Act, we recommend that DOER:

- Require all offshore wind projects to pair with energy storage resources;
- Require projects to demonstrate that they can guarantee firm energy delivery;
- Assess a project's guarantee of firm energy delivery by either:
    - Modeling the project's ability to maintain continuous hourly energy supply at its seasonal average capacity for the duration of the worst 5% of wind lulls that are likely to occur in each season; or
    - Verifying that each MW of offshore wind proposed is paired with an energy storage reserve of at least 0.5 MW and 35 MWh of new energy storage capacity
- Provide projects with flexibility to specify a timeline to pair with increasing amounts of energy storage and to achieve firm energy delivery in phases
- Require projects to demonstrate that they enhance electricity reliability and energy security, and allow this demonstration to be satisfied in part by the project's ability to

[1] *See* St. 2022, c. 179, §§ 60 and 61.
[2] Attachment A to Form's comments includes redlines to the 83C Round 3 Request for Proposals recommending how DOER can implement these changes.

guarantee firm energy delivery during multi-day extreme weather events and periods of low offshore wind production in winter.

These actions will turn offshore wind into a fully dispatchable resource that can be relied upon to deliver firm capacity needed during the periods of highest grid stress. By investing now in paired wind and storage projects that can deliver firm dispatchable energy, DOER can accelerate progress towards the Commonwealth's decarbonization goals and capture one of the biggest opportunities ISO New England has identified to lower long-term resource needs, lower costs, and improve grid reliability.[3]

About Form Energy

Form Energy, Inc. ("Form Energy") is a Somerville, MA based energy storage technology and manufacturing company that is commercializing a rechargeable, iron-air battery capable of continuously discharging electricity for 100 hours at a system cost less than 1/10th the cost of lithium-ion battery technology. Form's multi-day battery will enable a clean electric grid that is reliable and cost-effective year-round, even in the face of multi-day weather events. Form has over 3 GWh of projects under contract and development, with our first project expected to come online in 2024 with utility Great River Energy in Minnesota. With over 400 employees, Form Energy also has offices in the San Francisco Bay Area, and the Greater Pittsburgh area.

Recommendations

Require Wind to Be Paired with Energy Storage

The 2022 Offshore Wind Act revised Section 83C procurement to require proposals "to allow offshore wind energy generation resources to be paired with energy storage systems, including new and existing mid-duration and long-duration energy storage systems." We recommend that DOER use its authority to go a step further and to *require* proposals to pair offshore wind with energy storage, long-duration and multi-day storage in particular.[4]

The Massachusetts 2050 Clean Energy and Climate Plan specifically recognizes "the importance of flexibility in a deeply decarbonized grid" and the need to develop policies to support the "cost-effective deployment of long-duration storage in Massachusetts."[5] ISO New England's Future Grid Reliability Study made a strong reliability, environmental, and cost-driven case to build a portfolio of firm dispatchable resources, concluding that:[6]

- The grid needs dispatchable resources

[3] *See* ISO New England's 2021 Economic Study: Future Grid Reliability Study Phase 1, which found that 3 GW of dispatchable units could reduce 2040 needs for wind, solar and short-duration storage by 17 GW
[4] DOER is required to "give preference to proposals that demonstrate benefits from . . . energy storage, including new and existing mid-duration and long-duration energy storage systems."
[5] 2050 Clean Energy and Climate Plan (p. 73).
[6] 2021 Economic Study, at Executive Summary (p. 1-3)

- Stored fossil fuels have traditionally been used to meet dispatchable resource needs
- Absent investments in new zero-carbon sources of dispatchable capacity, the future grid will rely on significant gas or stored fuels to support variable renewables
- Variable energy resources like offshore wind lack the controllability and predictability of the region's current dispatchable resources
- Adding small amounts of dispatchable units would significantly reduce the needs for new wind, solar, and short-duration storage
- Energy storage is a non-emitting source of stored energy to balance renewables that can meet regional "energy adequacy" requirements

Require Projects to Guarantee Firm Energy Delivery

Form Energy recommends that DOER require all offshore wind projects to guarantee firm energy delivery. We recommend that DOER assess a project's guarantee of firm energy delivery by modeling the project's ability to maintain continuous hourly energy supply at seasonal average capacity factor for the duration of the worst 5% of wind lulls that are likely to occur in each season based on ISO New England data or more accurate project-specific data. Alternatively, based on analysis below, we recommend that DOER allow projects to satisfy the firm energy delivery requirement by pairing an energy storage reserve of at least 0.5 MW and 35 MWh of new energy storage capacity per MW of offshore wind.

Statutory Definition of Firm Energy Delivery and Preferential Treatment
The 2022 Offshore Wind Act provides the following definition of Firm Energy Delivery, which we recommend DOER should include in the Round 4 Solicitation:

> "Firm energy delivery", dispatchable non-emitting energy provided in a long-term contract with guaranteed continuous availability at rated power for 1 or more discrete multi-day periods of extreme heat and cold weather, low non-dispatchable power production, or other grid contingencies, as designated by the department of energy resources, to ensure electric reliability and security in a zero-carbon electric system; provided, however, that "firm energy delivery" may include, but shall not be limited to, energy from multiple non-emitting energy generation resources and energy storage systems managed in a coordinated manner, in addition to other market services.

The Act provides that DOER "shall give preference to proposals that demonstrate benefits from…resources able to guarantee firm energy delivery."[7] Given the urgency of regional winter energy security risks, the long-term benefits ISO New England has identified of building dispatchable capacity, and the commercial availability of technologies like Form Energy's 100-hour iron-air battery, Form recommends that DOER *require* projects to guarantee firm energy delivery, phased in over time.

[7] Section 83C(c), as amended by St. 2022, c. 179, § 61.

Method to Require and Ensure Firm Energy Delivery in Bids

The definition of "firm energy delivery" in the 2022 Offshore Wind Act requires additional interpretation so that DOER can implement this requirement in the Round 4 Solicitation.

Interpretation of Rated Power as Seasonal Average Capacity

For the purposes of evaluating firm energy delivery, we recommend that DOER interpret "rated power" to mean an offshore wind resource's average seasonal capacity. This recommendation is supported by analysis below of the magnitude of winter offshore wind lulls relative to average capacity factor.[8] However, we recommend that DOER provide flexibility for bids to specify an alternative rated power to use when evaluating the project's guaranteed firm energy delivery if there is reasonable cause to do so. For example, the magnitude of a resource's firm capacity is only one element of value: a resource that delivers energy that is highly matched to hourly demand profiles in atypical weather could have more value than a resource of higher capacity that is less able to match load in all hours.

Interpretation of Continuous Availability for Multi-Day Periods as Continuous Output During Lulls

We recommend that DOER evaluate bids based on the project's ability to maintain continuous *hourly energy supply* at its seasonal average capacity *for the duration of the worst 5% of wind lulls that are likely to occur in each season* based on ISO New England data or more accurate project-specific data.

The 2022 Offshore Wind Act provides that firm energy delivery is "guaranteed continuous availability at rated power for 1 or more discrete multi-day periods of extreme heat and cold weather, low non-dispatchable power production, or other grid contingencies, as designated by the department of energy resources." DOER must interpret "continuous availability" and define relevant "multi-day periods."

For this Round 4 Solicitation, Form recommends that DOER interpret "continuous availability" to mean that a project is capable of maintaining continuous hourly energy output at seasonal average capacity during typical wind lulls that are likely to occur (i.e. periods of low non-dispatchable power production). We recommend this approach because public data about wind lulls are available from ISO New England,[9] wind lulls have been characterized in a recent ISO New England study by DNV-GL, and standard dispatch models can evaluate this performance.

Analysis of Multi-Day Wind Lulls and Energy Storage Reserves Necessary to Fill These Lulls

Form Energy analyzed 20 years of ISO New England's historic wind profiles to evaluate the magnitude of capacity (MW) and energy (MWh) shortfalls that occur during wind lulls. In alignment with DNV-GL's analysis of this data,[10] Form defined a wind lull as a continuous period greater than 24-hrs during which wind output would have been at less than a 20% capacity factor.

[8] Rated power should not be the project's nameplate capacity

[9] *See* ISO-New England Variable Energy Resource Data

[10] *See* DNV-GL Analysis of Stochastic Dataset for ISO-NE, February 2021

Figure 1 below illustrates a representative winter wind lull, showing actual wind output relative to the average winter capacity factor of ~0.6. The shaded green region represents the size of the energy storage reserve in MW and MWh necessary to mitigate the effects of this lull. A wind resource paired with an adequately sized energy storage reserve could guarantee continuous output at its average winter capacity factor during this lull event, using excess wind supply in preceding days and weeks to charge and store energy in reserve in case of such lull events.

Figure 1: Example Offshore Wind Lull, 2025 Weather Year, and Needed Energy Storage Reserve

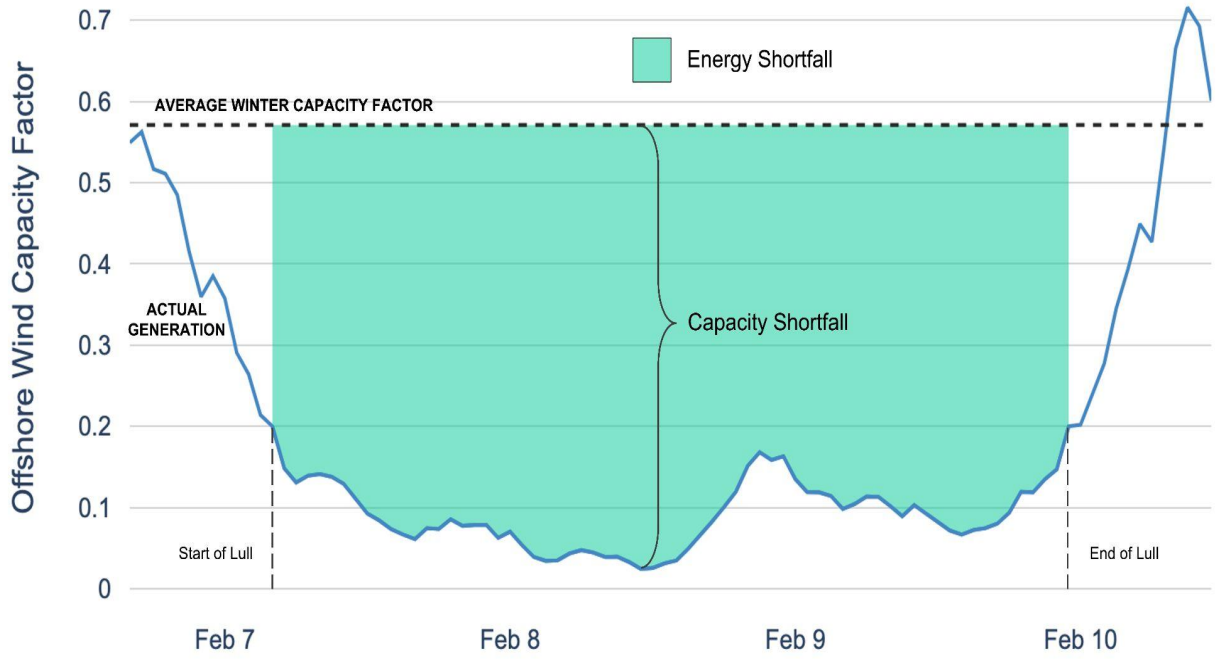
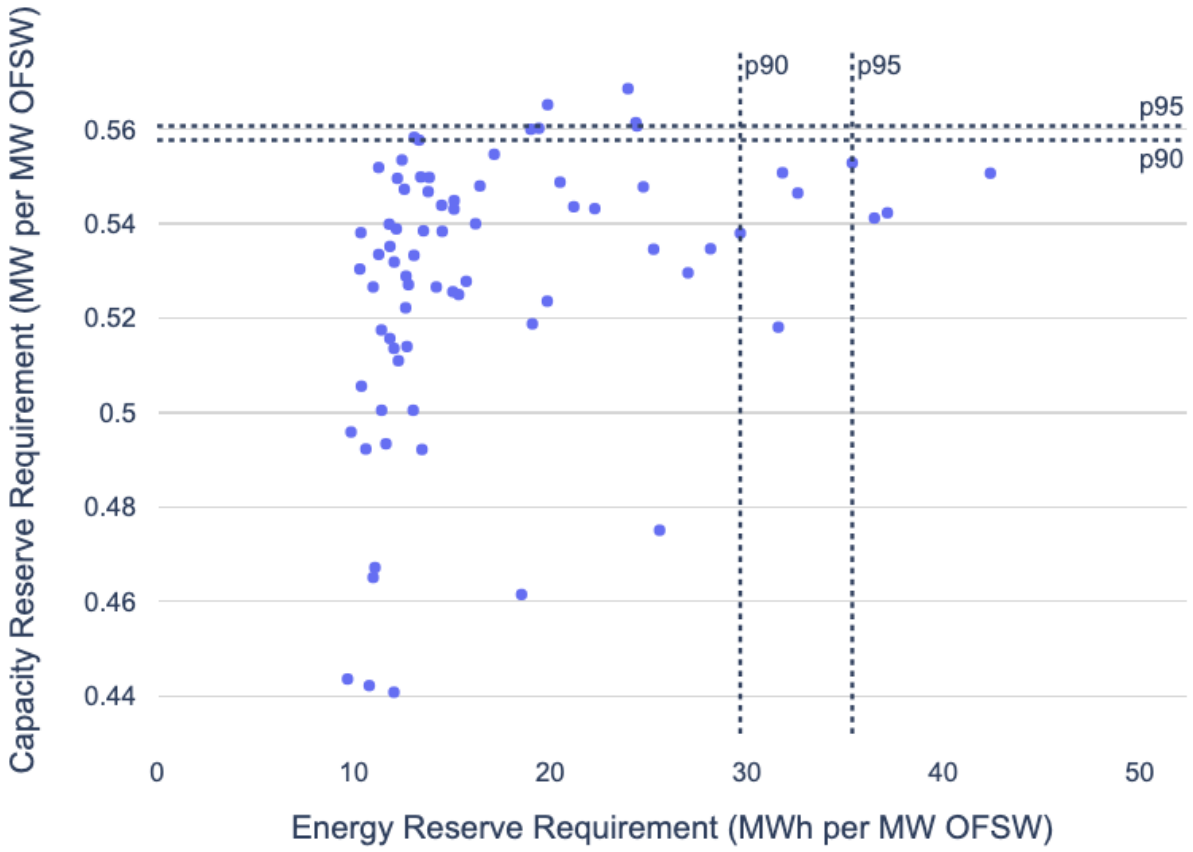


Figure 2 below represents the size of the capacity shortfall and energy shortfall that a portfolio of energy storage resources would need to fill in order to guarantee firm energy delivery during offshore wind (OFSW) lulls. The P90 values in this plot represent the worst 10% of wind lulls that happen each winter, and the P95 values represent the worst 5% of lulls. These results indicate that Massachusetts needs to build an energy storage reserve equivalent to at least 0.56 MW and 30-35 MWh of energy storage per MW of offshore wind to guarantee firm energy delivery.

Portfolios of short, long, and multi-day energy storage like Form's iron-air batteries can deliver continuous output for days without needing to recharge. DOER should provide projects flexibility to phase in a stored energy reserve over time, as the storage industry scales supply.

Figure 2: Distribution of Winter Offshore Wind Lulls, 20-year Data



Evaluation of Firm Energy Delivery in Bids

We recommend that DOER evaluate proposals based on their ability to either: 1) guarantee firm energy delivery during the worst 5% of wind lulls that are likely to occur, or 2) pair each MW of offshore wind with an energy storage reserve of at least 0.5 MW and 35 MWh of new energy storage capacity. DOER should allow flexibility for projects to achieve this requirement in phases.

These requirements are reasonable and conservative because these lulls happen relatively frequently (P95 lulls occur once every 4 years in ISO New England's dataset). When evaluating a bid's guarantee of firm energy delivery, DOER should assume the storage system charges only from the wind resource to assess whether the paired wind and storage resource is fundamentally capable of delivering firm energy for the purpose of market settlement. However, in contracting, DOER should not place operational limits on projects that would limit storage from only charging from wind resources (i.e. requiring the paired storage to be co-located with the wind resource to form a hybrid resource), as this would limit the economic and reliability value of the paired storage resources.[11]

Future Considerations

[11] Moreover, the definition of "firm energy delivery" contemplates that the firmed project could consist of "multiple non-emitting energy generation resources and energy storage systems."

We encourage DOER to collaborate with ISO New England and other stakeholders to develop public data that could support the consideration of atypical weather events and other contingencies that can further refine expectations about how a firm resource must perform. Additionally, we recommend that DOER provide flexibility to value resources in part based on the degree to which the resource can match hourly load. We encourage DOER to conduct future analysis on the coincidence of wind lulls with periods of high energy demand. If the coincidence is low, long-term MW and MWh needs for energy storage reserves per MW of wind may be lower.

Conclusion

The Commonwealth's leadership on offshore wind has paved the way to build the offshore wind industry, with significant reliability, environmental and economic development benefits to the state. Form Energy looks forward to supporting DOER as it pursues the next big opportunity to accelerate clean energy goals and enhance energy security: ensuring that energy storage paired with offshore wind can guarantee renewable energy is available every hour of the year.

Contact

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Appendix A: Redlines to RFP Solicitation, 83C Round 3

These are redlines focused on enhancing opportunities for long-duration and multi-day storage to be incorporated into offshore wind bids to enhance energy security consistent with the intent of St. 2022, c. 179, §§ 60 and 61. These redlines do not address all changes required by the Act.

REQUEST FOR PROPOSALS

FOR

LONG-TERM CONTRACTS FOR OFFSHORE WIND ENERGY PROJECTS

Issuance Date: May 7, 2021

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

"Affiliated Company" means an affiliated company as defined in Section 85 of Chapter 164 of the Massachusetts General Laws.[1]

"Clean Peak Energy Certificate" (CPEC). A credit received for each megawatt hour of energy or energy reserves at NEPOOL GIS that is adjusted by applicable Clean Peak Energy Certificate Multipliers and provided during a Seasonal Peak Period that represents a compliance mechanism as defined in the regulations.

"Clean Peak Standard" has the meaning as outlined in 225 CMR 21.00

"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.

"Deliver" or "Delivery" shall mean with respect to (i) Energy, to supply Energy into Buyer's ISO-NE account at the Delivery Point in accordance with the terms of the Long-Term Contract and the ISO-NE Rules, and (ii) RECs, to supply RECs in accordance with the terms of the Long-Term Contracts and the ISO-NE Rules.

"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

[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.

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 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 one or more of the Distribution Companies to assist the Evaluation Team in the evaluation process.

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

"Firm Energy Delivery" means dispatchable non-emitting energy provided in a long-term contract with guaranteed continuous availability at rated power for 1 or more discrete multi-day periods of extreme heat and cold weather, low non-dispatchable power production, or other grid contingencies, as designated by the Department of Energy Resources, to ensure electric reliability and security in a zero-carbon electric system; provided, however, that "Firm Energy Delivery" may include, but shall not be limited to, energy from multiple non-emitting energy generation resources and energy storage systems managed in a coordinated manner, in addition to other market services.[5]

"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 a Generation Unit(s) to the transmission system, as the same may be amended from time to time.

"Interconnection Customer's Interconnection Facilities" ("ICIF") means all facilities and

[4] https://malegislature.gov/Laws/GeneralLaws/PartI/TitleXXII/Chapter164/Section1.
[5] https://malegislature.gov/Laws/SessionLaws/Acts/2022/Chapter179

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.

"Long-Duration Energy Storage System", an energy storage system, as defined in section 1 of chapter 164 of the General Laws, that is capable of dispatching energy at its full rated capacity for a period greater than 10 hours.[6]

"Long-Term Contract" means a contract for a period of 15 to 20 years for Offshore Wind Energy Generation; provided, however that a Long-Term Contract may include terms and conditions for renewable energy credits associated with the offshore wind energy generation that exceed the term of generation under the contract.[5][7]

"Mid-Duration Energy Storage System" means an energy storage system, as defined in section 1 of chapter 164 of the General Laws, that is capable of dispatching energy at its full rated capacity for a period greater than 4 hours and up to 10 hours.[8]

"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][9]

"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][10] The quantity of Offshore Wind Energy Generation delivered shall be measured in MWh.

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[6] https://malegislature.gov/Laws/SessionLaws/Acts/2022/Chapter179
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[7] https://malegislature.gov/Laws/SessionLaws/Acts/2022/Chapter179
[8] https://malegislature.gov/Laws/SessionLaws/Acts/2022/Chapter179
[6][9] https://malegislature.gov/Laws/SessionLaws/Acts/2016/Chapter188
[7][10] https://malegislature.gov/Laws/SessionLaws/Acts/2016/Chapter188

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(s) 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.

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 RECs[~~8~~11], which must incorporate associated transmission costs, pursuant to Section 83C of Chapter 169 of the Acts of 2008 ("Section 83C") et seq., as amended by the Energy Diversity Act and An Act Driving Clean Energy and Wind. In this Request for Proposals ("RFP"), the Distribution Companies are seeking to procure at least 400 MW and up to 1600 MW overall of Offshore Wind Energy Generation, subject to the provisions hereof.[~~9~~12] Bidders are allowed to offer proposals from 200 MW up to 1600 MW of Offshore Wind Energy Generation.

This is the third solicitation and is part of a procurement schedule developed by ~~the Distribution Companies and~~ DOER in accordance with the authority granted to DOER under Section ~~21(a) of Chapter 227 of the Acts of 2018 ("2018 Act")~~ 83C to require the Distribution Companies to jointly and competitively conduct additional offshore wind generation solicitations and procurements, subject to the required solicitation and procurement process of said Section 83C, to ensure that the Distribution Companies enter into cost-effective contracts for Offshore Wind Energy Generation equal to an additional approximately 1600 MW of aggregate nameplate capacity not later than December 31, 2035. 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 the Department of Public Utilities shall not approve Long-Term Contracts resulting from the solicitation if the levelized price per megawatt hour, plus associated transmission costs, is greater than or equal to the levelized price per megawatt hour that resulted 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.~~

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~~13] This RFP

[~~8~~11] Long Term Contracts for Energy and RECs, and for RECs only, will include rights to all associated Environmental Attributes.

[~~9~~12] 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.

[~~10~~13] The actual amount of Offshore Wind Energy Generation and/or RECs to be procured by each of the Distribution Companies is

includes form Power Purchase Agreements for Offshore Wind Energy Generation ("Form PPAs", one for National Grid and another for Eversource and Unitil).

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 describes 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 achieving Net Zero greenhouse gas emissions by 2050 and intermediate reductions.

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

As part of its review and approval process for any proposed Long-Term Contracts, the DPU must take into consideration recommendations from the Office of the Attorney General ("AGO"), which must be submitted to the DPU within forty-five (45) days following the filing of such contracts with the DPU. Section 83C provides that the DPU shall consider both the potential costs and benefits of such contracts and shall approve a

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determined based upon each Distribution Company's Massachusetts distribution load-share derived from the most recent full years data which is from 2019

National Grid	45.04%
Eversource	53.96%
Until	1.00%

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, in consultation with the Attorney General's Office and as overseen by the Independent Evaluator, 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, Form PPAs, 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 becoming effective. The Form PPAs 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.[11][14] Under these Standards 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 and bid selection process and provides an independent assessment of whether all proposals were evaluated in a fair and non-discriminatory manner.

[11][14] Unitil does not have an affiliate that could potentially bid 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.

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~~15]

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**. All questions must be submitted by email, 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 electronic addresses set forth in Appendix H to this RFP. Each proposal must be submitted to the entire Evaluation Team. Following the submission of proposals, communications regarding specific proposals will be between the Evaluation Team and the bidder. Following bid submission, each bidder is responsible to keep the Evaluation Team informed on a timely basis about the status of their proposed projects throughout the evaluation process, and as applicable, the contract negotiation process, and the related DPU or other proceedings, (including, but not limited to, status updates in obtaining permits, financing, site control and interconnection), 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 one-hundred thirty-two (132) 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 anticipated approval by the DPU, is set forth below in Section 3.1 of this RFP.

1.7.1 Confidential Proposal Submission Deadline

September 16, 2021 at 12:00 (noon) EDT.

[~~12~~15] 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 September 23, 2021 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 September 16, 2021.

1.7.3 Proposal Validity

Proposals shall be valid, without modification except as allowed in this RFP, until March 28, 2022, unless otherwise extended by mutual agreement between the bidder(s) and the Distribution Companies.

1.7.4 Submission Requirements

Bidders must submit separate electronic submission of the public version of each proposal and shall also submit separate electronic submission drives of the un-redacted confidential version to the contacts in Appendix G to this RFP. 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 electronic submission should prominently 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 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 or the Evaluation Team Consultant 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 commercially reasonable efforts to protect the information have been followed. In any event, each member of the Evaluation Team, the Evaluation Team Consultant 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/Electric 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 Power Purchase Agreement (National Grid)
Appendix B-2	Form of 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	Bid Submittal Instructions
Appendix I	Deliverability Constraint Analysis
Appendix J	Environmental and Socioeconomic Impact Criteria
Appendix K	Explanation of Allowable Phasing

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 a proposal 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;
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 may be shared with any members of the Evaluation Team (including their respective consultants), 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 Project 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 an additional bid fee of $50,000 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 non-refundable bid fee of $50,000 is required. Bid fees must be wired to the Distribution Companies, allocated to each Distribution Company in

accordance with the allocation percentages applicable pursuant to the instructions contained in Appendix H 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 this RFP. Submission of bid fees 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/or 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.[~~13~~16] 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

[~~13~~16] Any opportunity to cure a deficiency and/or supply missing information offered by the Evaluation Team will be subject to a limited response period consistent with the stage of the evaluation process and overall schedule identified in Section 3.1 of this RFP. The Evaluation Team will identify applicable response deadlines in its communications to bidders.

may be disqualified from further review and evaluation.

2.2.1.1 Eligible Bidder

An eligible bidder is a developer of Offshore Wind Energy Generation, or an entity 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 and up to 1600 MW of Offshore Wind Energy Generation. This solicitation allows bidders to offer proposals from 200 MW up to 1600 MW.[~~14~~17] There is no preferred bid size.[~~15~~18]

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, there will be limits to the number of phases allowed. In general, a project of 1600 MW may not consist of more than 4 phases, a project of 800 MW may not consist of more than two phases, and a project of 400 MW or less may not consist of more than one phase (generally, a maximum of 400 MW per phase). Descriptions of additional phasing permutations and their allowability are discussed in Appendix K. Associated dates for commercial operation of each phase 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 multiple phases. Bidders should specify their proposed timing of phases and proposed associated contracts.

2.2.1.3 Eligible Bids

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 this Section 2.2.1.3 and to Section 2.2.1.4 of this RFP.

[~~14~~17] The nominal maximum size of a proposal is 1600 MW; provided that a bidder's proposal may exceed 1600 MW by an amount that is not more than one-half of the nameplate capacity of the expected wind turbine size proposed by the bidder.

[~~15~~18] Projects that bidders propose should be sized and designed to efficiently and cost-effectively use available lease area(s), interconnection point(s), transmission cabling, and other infrastructure required for the production and delivery of the Offshore Wind Energy Generation.

All proposals must provide for a scheduled commercial operation date before January 1, 2030.

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 production/delivery profile schedules of Offshore Wind Energy Generation with each proposal. Bidders are encouraged to provide a production/delivery schedule that is as accurate as possible based on historical weather data and consistent with the expected upgrades proposed in their bids. 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~~ must 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~~, which may include new and existing Mid-Duration and Long-Duration Energy Storage Systems. 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 Form PPAs. The bidder proposing Offshore Wind Energy Generation paired with Energy Storage Systems must fill out the CPPD form such that the Offshore Wind Energy Generation profile (production/delivery profile) is provided both with and without operation of 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, guaranteeing Firm Energy Delivery, or mitigating the need for transmission upgrades).

A seller of 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 Form PPAs included in Appendix B-1 and B-2

contain the terms and conditions for the sale of Offshore Wind Energy Generation and RECs.[16][19]

An Eligible Bidder's proposal to sell RECs or Offshore Wind Energy Generation and associated RECs pursuant to a Long-Term Contract must include the construction and operation of the Offshore Delivery Facilities and all associated facilities required for delivery from the Offshore Wind Energy Generation facilities directly to the corresponding onshore ISO-NE PTF system facilities, as well as cost of associated network upgrades, and, if applicable, Energy Storage Systems.[17][20] A proposal in which there will be a single point of interconnection and delivery will be considered a single bid. Similarly, a bid in which there will be two points of interconnection and delivery, with a specified allocation of energy delivered to each point of interconnection, will also be considered a single bid for evaluation purposes. For a proposal providing an additional unique and independent point(s) of interconnection and delivery as an alternative, such additional alternative will be considered a separate bid 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 RECs or Offshore Wind Energy Generation and associated RECs, that includes the cost of such Offshore Delivery Facilities, as well as cost of associated network upgrades, and, if applicable, Energy Storage Systems, incorporated into the Long-Term Contract, and which is compliant with Section 2.2.1.4 of this RFP.

Each bid submitted must also include a commitment to enter into a Voluntary Agreement, (see the Commitment Agreement as provided as Appendix G 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 are to requesters of service thereunder.[18][21]

[16][19] The National Grid form provides for an Event of Default and possible termination of the PPA in the event that the average operability of the Offshore Wind Energy Generation facility, as measured by ISO-NE, is significantly below a specified standard over rolling two-year periods.

[17][20] Bidders should describe the extent to which their proposed interconnection design and location use the available interconnection point(s) and proposed transmission infrastructure efficiently.

[18][21] As utilized in this RFP, "Voluntary Agreement" means a voluntary agreement as contemplated in FERC Order No. 807, 150

2.2.1.4 Pricing Requirements; Allowable Forms of Pricing

i. Pricing for Offshore Wind Energy Generation and associated RECs must conform to the following pricing requirements:

a. [19]~~The nominal levelized price of any proposal must be less than $77.76 per MWh.~~ Pricing must be designed to recover all costs associated with the proposal, including but not limited to the cost of Offshore Wind Energy Generation, cost of Offshore Delivery Facilities, cost of network upgrades, and~~,~~ ~~if applicable,~~ Energy Storage Systems.[20]~~20~~22

b. A proposal to sell RECs or Offshore Wind Energy Generation and associated RECs must propose a price on a fixed $/MWh and/or $/REC basis, as applicable. Prices may

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 Appendix G hereto) ultimately executed by the winning bidder in favor of the Distribution Companies, as well as any future Voluntary Agreements, shall be filed with FERC for acceptance pursuant to FPA Section 205.

[19] ~~The $77.76/MWh nominal levelized price is equivalent to the $58.47/MWh 2019 real dollars levelized price from the contracts executed by the Distribution Companies with Mayflower Wind Energy, LLC in the 2019 83C procurement. Section 83C(b) states "the department of public utilities shall not approve a long-term contract that results from a subsequent solicitation and procurement period if the levelized price per megawatt hour, plus associated transmission costs, is greater than or equal to the levelized price per megawatt hour plus transmission costs that resulted from the previous procurement." For the purposes of confirming pricing under 2.2.1.4 (i), the levelized nominal price will be calculated in the following manner. The numerator ($) 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 the denominator is discounted over 20 years using the Distribution Companies' load weighted average cost of capital (WACC) of 7.15% as was utilized in the 2019 83C procurement. The resulting quotient yields the $/MWh metric. The Distribution Companies and Mayflower Wind executed the contracts, from which the $77.76/MWh nominal levelized price is taken, prior to the extension and increase of the Investment Tax Credit ("ITC") in December 2020. Under said contracts, the Product Price of $77.76/MWh will be adjusted to as low as $70.26/MWh if and when Mayflower Wind, LLC qualifies for the 30% ITC.~~

[20]~~22~~ The CPPD Form contains the calculation comparing the Proposal price with the nominal levelized price of the contract produced from the previous procurement. 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.

be the same each year or change by a defined rate or amount over time. ~~If bidders are proposing~~ Any applicable costs associated with the pairing of an Energy Storage System~~, any applicable costs~~ must be included in the proposal to sell RECs or Offshore Wind Energy Generation and associated 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 products delivered. No lump sum payments, pre-payments or fees shall be paid.

d. If a bidder is proposing a multi-phased project under multiple contracts (e.g., one for each phase), the nominal levelized price per MWh must be the same across all phases.

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 20% 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.

Under the terms of the Long Term Contract, 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 Seller shall cause the Energy produced by the Offshore Wind Energy Generation to be stored by a paired Energy Storage System to be scheduled for Delivery to the delivery point at a later period. To the extent that the Energy produced by the Offshore Wind Energy Generation is not stored by a paired Energy Storage System, 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 Delivered in each such hour; and (ii) the absolute value of the hourly LMP at such Delivery Point.

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. 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 (but not to exceed four for a 1600 MW proposal). Bidders should state their proposed number and timing of contracts and phase sizes consistent with these requirements, Section 2.2.1.2 and Appendix K.

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. Each 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-equivalent 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-equivalent 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 bidders 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-equivalent 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 (production/delivery 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 production/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 production/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 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. All 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 Energy Generation capacity(ies).

Projects that have received their I.3.9 approval from ISO-NE must identify that approval and include documentation thereof 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 reflect 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.

2.2.1.8.1 Deliverability Constraint Analysis

In addition to the studies and analyses provided pursuant to Section 2.2.1.8, above, bidders must also provide the additional deliverability constraint analysis described in Appendix I. Unlike the studies and analyses required by Section 2.2.1.8, the Appendix I constraint analysis required under this Section 2.2.1.8.1 is required for informational purposes, and bidders are not required to identify network upgrades or change other aspects of their bids to address any issues disclosed by this analysis, which is intended to identify constraints or potential constraints to help inform the Evaluation Team's quantitative modeling, including its understanding of general transmission issues.

2.2.1.9 Proposal Completeness: Bidder Response Forms and the Form PPAs

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 PPAs for this solicitation. Bidders must submit with their proposals marked versions of the Form PPAs showing their specific proposed changes to the Form PPAs. The marked Form PPAs 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 must submit any proposed changes to the Commitment Agreement or affirm its willingness

to accept the form agreement as is. Bidders are discouraged from proposing any material changes or conditions to the Form PPAs and the Commitment Agreement, and the Distribution Companies have no obligation to accept any specific proposed changes or conditions.

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 and both the off-shore and the on-shore route and describe what rights the bidder has to both, and provide a detailed plan and timeline for the acquisition of any additional necessary rights. The bidder may identify alternative offshore and onshore routes to the proposed delivery point(s), describing the factors relevant to which route(s) will be ultimately selected. For each route 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,[~~21~~23] above, and associated onshore transmission and interconnection facilities, and (ii) provide a reasonable and achievable detailed plan (with a timeline) to acquire sufficient rights to the remainder of the necessary Offshore

[~~21~~23] Thus, site control information as described in this section must be provided for all Offshore Delivery Facilities associated with the bid.

Delivery Facilities and onshore transmission and interconnection routes and 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 all on-shore transmission and interconnection locations and details and associated Offshore Delivery Facilities. Maps should be of scales allowing identification of significant marine and terrestrial features, e.g. shellfish management areas, parks, highways, etc.;

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 onshore interconnection and transmission locations, 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 for all offshore and onshore routes;

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 transmission and interconnection locations (and applicable letters of intent if formal agreements have not been executed);

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 applicable letters of intent if formal agreements have not been executed); and,

v. 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, and a copy of each of the related leases, agreements, easements, and related documents that have been obtained (and applicable letters of intent if formal agreements have not been executed).

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~~.~~, System Safety, and Energy Security within the Commonwealth

Section 83C requires that the proposed project must demonstrate that it will "provide enhanced electricity reliability, system safety and energy security." This requirement to demonstrate enhanced electricity reliability and energy security can be satisfied in part 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 enhanced reliability and energy security requirement is satisfied, such as the ability to guarantee Firm Energy Delivery during multi-day extreme weather events and periods of low Offshore Wind Energy Generation production. Bidders must also provide demonstrations that the requirements of providing system safety are met.

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 in response to this RFP.

2.2.2.6.1 Abandonment Costs

Under no circumstances will the Distribution Companies be responsible for any abandoned plant costs or 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, and constructed within a commercially reasonable timeframe.

The proposal must include a schedule with reasonable detail that demonstrates that the bidder has provided sufficient time for the application for, and receipt of, necessary permits, approvals, other commitments, project financing, completion of design work, and equipment procurement and construction in order to complete the project reasonably consistent with

the proposed Commercial Operation Date. The bidder should include critical milestones in its markup to the Form PPAs that are consistent with its proposal and are reasonably achievable.

2.2.2.8 Pair with Energy Storage Systems, Including New and Existing Mid-Duration and Long-Duration Energy Storage Systems

The project must demonstrate its approach to pairing Offshore Wind Energy Generation with Energy Storage Systems. Preference will be given to projects that demonstrate benefits from being paired with Energy Storage Systems.

2.2.2.9 Ability to Guarantee Firm Energy Delivery

The project must demonstrate the extent to which it can provide the benefits of guaranteeing Firm Energy Delivery. Preference will be given to projects that demonstrate Firm Energy Delivery capability.

2.2.2.10 ~~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 must provide factual support for its employment and economic development projections, and reflect any associated commitments in agreements with applicable governmental and nongovernmental entities.

Bidders committing to economic development benefits with specific commitments (e.g. specific grants or specific commitments to industries) that are included in the proposal but not reflected in agreements at the time of bidding will be required to negotiate and execute a contractual commitment (e.g. Memorandum of Understanding) with the applicable governmental entity or entities to ensure that the economic benefits are actually obtained and tracked. This contractual commitment will be required before the related Long Term Contract(s) resulting from this solicitation are executed by the Distribution Companies.

2.2.2.11 ~~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.

2.2.2.12 ~~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 the commercial fishing industry.

2.2.2.13 ~~2.2.2.11~~Security Requirements

Proposals that are selected will be required to post security.

The required level of security 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 Long-Term Contract. Security will be promptly returned if the applicable regulatory agency does not approve the Long-Term Contract.

If a project is being developed in phases and under separate contracts, additional security equal to $37,500/MW per Long Term Contract shall be required to secure the completion of both phases, to be provided 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 letter of credit from a U.S. commercial bank or the U.S. branch of a foreign bank, in either case having (i) assets on its most recent balance sheet of at least $10 billion and (ii) a credit rating of at least A2/A. More detail on the security requirements is included in the Form PPAs.

2.2.2.14 ~~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.

2.2.2.15 ~~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 Long-Term Contracts resulting from this RFP process would either permit it to finance a project proposed in response to this RFP 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 analyses 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 70 points for quantitative factors and up to 30 points for qualitative factors for purposes of conducting the Stage Two evaluation. The increase from 25 to 30 points for qualitative factors was adopted in this solicitation to increase the evaluation's emphasis on RFP Sections 2.3.2.i, 2.3.2.ii, and 2.3.2.vii.

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. RPS Class I eligible RECs from the Offshore Wind Energy Generation resources projected to be used for RPS and Clean Energy Standard compliance by the Distribution Companies or Massachusetts retail electric suppliers will be evaluated using a comparison of the contract prices of such RECs to the avoided REC prices projected for the market without the proposed project in-service. Any RPS Class I eligible RECs from the Offshore Wind Energy Generation resources projected to be in excess of Massachusetts requirements will be valued using a comparison of the contract REC prices to the projected REC market prices with the proposed project in-service.

iii. Offshore Wind Energy generation resources will be evaluated on the value of their ability to produce and supply CPECs to meet customer needs if such value is reliably quantifiable and meaningful.

iv. The direct benefits of any applicable Energy Storage System will be evaluated in accordance with (i), (ii) and (iii) 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, taking into consideration contracts already executed by the Distribution Companies;

ii. The impacts on RPS and/or Clean Energy Standard compliance costs paid by ratepayers in the Commonwealth;

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

v. The impact on contributing to reducing winter electricity price spikes and energy security risks; and

vi. Indirect impacts for retail ratepayers on CPEC market prices, if any and to the extent the Evaluation Team determines such impacts are reliably quantifiable and meaningful, 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 using at least twenty years of stochastic wind profiles from ISO New England.

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 another metric to be determined by the Evaluation Team prior to evaluation of the bids. For purposes of computing the net benefits for each proposal, a discount factor of 6.82% will be used, which is the weighted average value of the Distribution Companies cost of capital. For purposes of comparing bids of different sizes, the Evaluation Team may determine an estimate of avoided costs of Offshore Wind Energy Generation that might be procured in the future (under the 2018 Act and 83C) for proposals that are less than 1600 MW in size.

The Offshore Wind Energy Generation production/delivery 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/delivery 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 and Diversity, Equity and Inclusion

- Demonstrated ability and commitment to create and foster short- and long-term employment and economic development in the Commonwealth, where feasible, and a commitment to diversity, equity and inclusion, including employment and procurement/contracting opportunities, for minority, women, veterans, LGBT and persons with disabilities.
    - Direct, specific and measurable employment and contracting benefits associated with the proposed project, including descriptions of the type, duration, and salary bands of employment created
    - A diversity, equity and inclusion plan that includes, at a minimum, both a Workforce Diversity Plan and a Supplier Diversity Program Plan described below. The diversity, equity and inclusion plan should describe the proposed strategy to actively promote access to employment and contracting opportunities for, and to actively recruit, diverse workers, vendors, contractors, and investors, and include how the direct, specific and measurable employment and contracting benefits created by the proposed project provides employment and procurement/contracting opportunities for minority, women, veterans, LGBT and persons with disabilities.
        - Workforce Diversity Plan: Include descriptions of each of the type, duration, and salary bands of the employment created and identify the recruitment efforts aimed at hiring diverse candidates for these employment opportunities;
        - Supplier Diversity Program (SDP) Plan: Include descriptions of the subcontracting, vendor, investor, and ancillary (operational) business opportunities that will be provided by diverse businesses if the bidder is awarded Long Term Contracts.
        - In the development of the Supplier Diversity Program Plan, bidders may consult with the Massachusetts Supplier Diversity Office (SDO) in order to determine the identity of businesses that may be able to assist them in achieving the commitments they will include in their bid submission.
    - Specific commitments to economic activity (project

expenditures), which may include but is not limited to:

- Investment in supply chain improvements to support the offshore wind industry.
- Investment in workforce development to support the offshore wind industry, which may include partnerships with vocational and technical schools, community colleges, labor groups, and community-based organizations to create paid training, internship, apprenticeship programs. These investments could include public-facing educational outreach programs to engage youth, high schools, and residents about offshore wind, clean energy, and climate topics.
- Utilization and investment in port facilities and infrastructure during project development, construction, and operation and maintenance of the project.
- Investment in offshore wind-related research and innovation initiatives or partnerships
- Support for ongoing science and data collection to improve environmental, wildlife, and fisheries performance of offshore wind, including commitments to data sharing.
- Economic development activities and investments that directly benefit economically distressed areas, environmental justice communities, and/or low-income populations.

Commitments will be evaluated on scale relative to project size, credibility, and firmness. Commitments that secure long-term benefits and require a robust strategy to track and report progress on promised benefits to a government agency are preferred.

ii. Low Income Ratepayers in the Commonwealth

- Demonstrated direct benefits to low-income ratepayers without adding cost, which may include but is not limited to, as examples:
  - Projects that reduce the energy burden for low-income ratepayers through energy efficiency or renewable energy upgrades.
  - Direct funding of rate relief through grant programs, support of existing community programs or other funding opportunities.

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

- 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, including the schedule and construction plan for associated interconnection facilities and transmission system upgrades, 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 facilities and associated upgrades, and costs are known or estimates are reasonable.
- Status and completeness of project stakeholder engagement plan, including demonstrated evidence of past and current productive relationships with project stakeholders.

iv. 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~~-~~, Firm Energy Delivery capability, and/ or operational benefits consistent with the proposed operational requirements and commitments.

v. Reliability~~-~~, System Safety, and Energy Security 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~~, system safety, and energy security.

vi. Benefits, Costs, and Contract Risk

- Extent to which the bidder accepts provisions of the Form PPAs and the draft Commitment Agreement, 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

vii. Environmental and Socioeconomic Impacts from Siting

- **Environmental Impacts:** Extent to which a project demonstrates that it avoids, minimizes, or mitigates, to the maximum extent practicable,

environmental impacts.

- **Fishing Impacts:** Extent to which the project avoids, minimizes, and mitigates impacts on commercial and recreational fishing industries.
- **Environmental Justice Impacts:** Descriptions of any potential impacts on Environmental Justice Populations[~~22~~24] and host communities.

Please see Appendix J for further details on the Environmental and Socioeconomic Impacts criteria to be considered in the Qualitative Evaluation.

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. 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 and economic development;
- 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

[~~22~~24] Defined and outlined in the EEA 2017 Environmental Justice Policy, see: https://www.mass.gov/files/documents/2017/11/29/2017-environmental-justice-policy_0.pdf

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. The Evaluation Team will consider the relative merits of a proposal(s) that offers additional benefits, for example economic development benefits including additional manufacturing or innovation, as compared to other top-ranked proposals.

Under Section 83C, after Stage Three, 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 193-day period during which the proposals are valid.

National Grid	Eversource	Unitil
45.04%	53.96%	1.00%

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 with respect to such rates 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 except as they pertain to the contract obligations to provide the initial Development Security and to submit project updates on a timely basis and as otherwise specified in the Long-Term Contract. 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 contact.

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 ten **(10) 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

Selected bidders must file any necessary Rate Schedules, Tariffs, and Agreements with FERC pursuant to the Federal Power Act and FERC regulations. FERC must accept the filing before the Rate Schedule, Tariff or Agreement can become effective.

3 Instructions to Bidders

3.1 Schedule for the RFP Process

The proposed schedule for the bidding process is set forth below 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 7, 2021
Bidders Conference	May 18, 2021
Deadline for Submission of Questions	May 25, 2021
Due Date for Submission of Confidential Proposals	Sep 16, 2021
Due Date for Submission of Public Proposals	Sep 23, 2021
Selection of Projects/Commence Negotiations	Dec 17, 2021
Execute Long Term Contracts	Mar 28, 2022
Submit Long Term Contracts for DPU Approval	Apr 27, 2022

3.2 Bidders Conference; Bidder Questions

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 written 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**.

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 Environmental Attributes 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. Contribution to Employment and Economic Development and Other Direct and Indirect Benefits

14. Exceptions to Form PPAs

15. 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 must provide updated 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, or 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.