

**October 27, 2023**

## **REQUEST FOR PROPOSALS FOR OFFSHORE WIND FACILITIES**

### **INTRODUCTION**

Pursuant to Section 16a-3n of the General Statutes of Connecticut (CGS), the Department of Energy and Environmental Protection (DEEP or Department) is issuing this Request for Proposals (RFP) to solicit offers from providers of energy derived from offshore wind (OSW) facilities that are Class I renewable energy sources, as defined in CGS § 16-1, for up to two thousand megawatts (2,000 MW<sub>AC</sub>) in the aggregate. The purpose of this procurement is to secure cost-effective OSW consistent with the state's greenhouse gas (GHG) emissions reduction goals, other energy and environmental goals, and policies established in the Integrated Resources Plan (IRP) and Comprehensive Energy Strategy.<sup>1</sup>

The Global Warming Solutions Act (GWSA), as codified in CGS § 22a-200a, mandated achievement of GHG emissions reduction targets of at least 45 percent (45%) below 2001 levels by 2030 and at least 80 percent (80%) below 2001 levels by 2050. Public Act 22-5, *An Act Concerning Climate Change Mitigation*, established the 100 percent (100%) zero carbon electric sector by 2040 goal as a statutory mandate. As directed by Governor Lamont's Executive Order 3, the 2020 IRP modeled multiple pathways to achieve a 100 percent (100%) zero carbon electric sector goal. This modeling shows that Connecticut has already made significant progress towards achieving this goal and demonstrates multiple achievable pathways to a zero carbon electric sector by 2040 while maintaining reliability and controlling costs. Accordingly, DEEP is seeking proposals from developers of eligible electric generating resources to secure cost-effective zero carbon offshore wind resources.

### **I. OVERVIEW**

#### **1.1 ORGANIZATIONAL STRUCTURE**

The DEEP Commissioner, in consultation with the Procurement Manager of the Public Utilities Regulatory Authority (PURA), the Office of the Attorney General (AGO), and the Office of Consumer Counsel (OCC), seeks proposals for Energy and Environmental Attributes from offshore wind facilities.

The Evaluation Team will receive the bids, including confidential materials, and conduct an evaluation and ranking of the bids. The Evaluation Team consists of DEEP, the PURA Procurement Manager, OCC, AGO, The United Illuminating Company (UI), and The Connecticut Light and Power Company dba Eversource Energy (Eversource). DEEP has engaged an independent consultant, Levitan & Associates, Inc. (Department Consultant), who will be an integral part of the Evaluation Team to assist in the evaluation. In addition, DEEP will consult with the Department of Economic and Community Development (DECD) in evaluating the economic commitments to Connecticut, as required by CGS § 16a-3n.

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<sup>1</sup> DEEP, 2020 Integrated Resource Plan, October 2021, available at: [https://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/da7ea848ee4c525285258767007246cb/\\$FILE/2020%20Connecticut%20Integrated%20Resources%20Plan%2010-7-2021.pdf](https://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/da7ea848ee4c525285258767007246cb/$FILE/2020%20Connecticut%20Integrated%20Resources%20Plan%2010-7-2021.pdf); and DEEP, 2018 Comprehensive Energy Strategy for Connecticut, February 8, 2018, available at: <https://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/274b79acc02f14d68525822f0062625f?OpenDocument>.

Eversource and UI (each, an Electric Distribution Company or EDC; together, the Electric Distribution Companies or EDCs) personnel that are a part of the Evaluation Team must comply with the obligations in the Standard of Conduct documents attached as Appendix G-1 and Appendix G-2, respectively, to this RFP. The Standard of Conduct prohibits any discussion of this RFP between EDC personnel participating on the Evaluation Team and EDC personnel involved in the preparation of bids in response to this RFP, other than as part of open discussions that refer to the conduct of the RFP process (e.g., bidder conferences or formal bidder Q&A sessions that are open to all participants).

The Selection Team—consisting of DEEP, the PURA Procurement Manager, AGO, and OCC—will consider the evaluation results and project rankings of Eligible Projects determined by the Evaluation Team to select projects. The DEEP Commissioner will make the final selection of any Eligible Projects, in consultation with the PURA Procurement Manager, AGO, and OCC. The Selection Team may consult with the Evaluation Team.

Any resulting agreements will be finalized between one or both EDCs and the successful Bidders based on the offers submitted in response to this RFP. The EDCs will be responsible for negotiation and execution of any final agreements with any projects selected by the DEEP Commissioner.

## **1.2 CALL FOR PROPOSALS**

The purpose of this RFP is to secure offshore wind resources that are Class I renewable energy sources, as defined in CGS § 16-1, that are in the best interest of ratepayers and help the state meet its GHG emissions reduction targets under GWSA,<sup>2</sup> promote economic development, and further other energy policy goals set forth in the IRP and the Comprehensive Energy Strategy.<sup>3</sup>

Any resulting agreements must be finalized between one or more EDCs and the successful Bidders based on the offers submitted in response to this RFP. This RFP process, including any selection of preferred projects, does not obligate any EDC to accept any terms and conditions in an agreement that are unacceptable to it, or obligate any state or federal regulatory authority to approve any proposed agreements. Any agreement, tariff or rate schedule resulting from this RFP process is subject to federal and Connecticut laws and regulatory approvals. Bidders are responsible for obtaining all necessary federal, state, or local regulatory approvals, as applicable to their project. Selection by the Selection Team of an Eligible Project does not supersede any review that is required to be conducted for any state, federal, or local regulatory authority, including, but not limited to, the Connecticut Siting Council.

### **1.2.1 DEFINITION OF KEY TERMS**

“Bidder” means any entity responsible for compiling a responsive bid for an Eligible Project in response to this RFP;

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<sup>2</sup> The Global Warming Solutions Act, as subsequently amended and codified in CGS § 22a-200a, mandated achievement of GHG emissions reduction targets of at least forty-five percent (45%) below 2001 levels by 2030, at least 80 percent (80%) below 2001 levels by 2050, and zero carbon electric sector by 2040.

<sup>3</sup> DEEP, 2020 Integrated Resources Plan, October 2021, available at: [https://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/da7ea848ee4c525285258767007246cb/\\$FILE/2020%20Connecticut%20Integrated%20Resources%20Plan%2010-7-2021.pdf](https://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/da7ea848ee4c525285258767007246cb/$FILE/2020%20Connecticut%20Integrated%20Resources%20Plan%2010-7-2021.pdf); and DEEP, 2018 Comprehensive Energy Strategy for Connecticut, February 8, 2018, available at: <https://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/274b79acc02f14d68525822f0062625f?OpenDocument>.

“Delivery,” “Deliver” or “Delivered” means with respect to (i) energy produced by a generating resource facility that is recognized in the Independent System Operator of New England (ISO-NE) settlement system as injected in the ISO-NE energy market at a specified and agreed upon pricing node<sup>4</sup> (e.g., the generator asset node applicable to an internal resource or the external interface node applicable to an import) that is generally unconstrained/uncongested, (ii) other wholesale market components, as other wholesale market components are settled via Buyer’s ISO-NE Settlement account, and (iii) RECs, as supplied in accordance with the PPA;

“Eligible Bidder” means the entity responsible for developing an Eligible Project in response to this solicitation;

“Eligible Project” means as set forth in Section 2.2.2 of this RFP;

“Environmental Attributes” means (i) GIS Certificates, (ii) credits, benefits, reductions, offsets and other beneficial allowances, including, to the extent applicable and without limitation, performance based incentives or renewable portfolio standard in the state in which the generation facility is located or in other jurisdictions (collectively, Allowances) attributable to the ownership or operation of the electric generation facility or the production or sale of Qualified Energy that avoids the emission of carbon into the air, soil or water, (iii) other Allowances howsoever named or referred to, with respect to any and all fuel, emissions, air quality, or other environmental characteristics, resulting from the production of electric generation or the production or sale of Qualified Energy that avoids the emission of carbon into the air, soil or water and in which Seller has good and valid title, including any credits to be evidenced by Renewable Energy Certificates (RECs) or similar laws or regulations applicable in any jurisdiction as such may be amended during the term of such agreement that may be reached with the EDCs as a result of this RFP, (iv) any such Allowances related to (A) oxides of carbon or (B) the United Nations Framework Convention on Climate Change (the UNFCCC) or the Kyoto Protocol to the UNFCCC or crediting “early action” with a view thereto, or involving or administered by the Clear Air Markets Division of the United States Environmental Protection Agency or any successor or other agency that is given jurisdiction over a program involving transferability of specific Environmental Attributes, and (v) all reporting rights with respect to such allowances under Section 1605(b) of the Energy Policy Act of 1992, as amended from time to time or any successor statute, or any other current or future international, federal, state or local law, regulation or bill, or otherwise;

“Indexed Price Bid” shall mean an alternative price bid as outlined in Section 2.2.14.1.

“Indexing Adjustment” shall mean a price adjustment to an Indexed Price Bid as outlined in Section 2.2.14.1.

“Incremental” means: an increase in the amount of Qualified Energy produced and Delivered from an offshore wind facility, whether associated with the construction of a new generating unit, or an increase in nameplate capacity associated with the construction of an upgrade to an existing generating unit or a generating unit with an EDC contract but not yet constructed;

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<sup>4</sup> Note that if the agreed upon pricing node is not located on the ISO-NE Pooled Transmission Facilities (PTF), the Delivery point will be the PTF in the vicinity of the referenced pricing node. The Bidder shall be responsible for (1) all non-PTF and/or distribution system losses, (2) all transmission and/or distribution interconnection charges associated with the Facility, and (3) the cost of Delivery of the Products to the Delivery point, including all related administrative fees and non-PTF and/or distribution wheeling charges. In addition, the Bidder shall also be responsible to apply for and schedule all such services.

“Nameplate” means rated peak output of the generation measured in MW<sub>AC</sub> as stated by the manufacturer;

“Procurement Statute” means CGS § 16a-3n;

“Qualified Energy” means electric energy produced from an offshore wind facility that qualifies as a Class I renewable energy source and delivers such energy directly into the ISO-NE control area or into the ISO-NE control area after interconnecting into a neighboring control area. For avoidance of doubt, this does not include capacity market revenues;

“Renewable Energy Certificates” or “RECs” shall mean all of the Certificates and any and all other Environmental Attributes associated with the Qualified Energy or otherwise produced by the Facility that satisfies the RPS for a RPS Class I Renewable Generation Unit, and shall represent title to and claim over all Environmental Attributes associated with the specified MWh of generation from such RPS Class I Renewable Generation Unit.

“Stakeholder” means any individual or entity concerned about impacts to the environment, fisheries, marine navigation, environmental justice, and/or labor and economy resulting from the construction and operation of the proposed offshore wind facility or the connection of such facility to the onshore electric grid, including but not limited to local, state, and federal agencies, non-governmental organizations, subject matter experts, commercial fisherman, and wildlife and ecological resources; and

“Wildlife and Ecological Resources” means marine mammals, sea turtles, birds, bats, fish, invertebrates, and habitats, with specific reference to State of Connecticut listed species (RCSA § 26-306-1 et seq.), federally listed species, candidates for federal listing, and species disproportionately at risk to be adversely impacted by the project.

### **1.3 INSTRUCTIONS TO BIDDERS**

#### **1.3.1 FILING PROTOCOL AND COMMUNICATIONS BETWEEN THE EVALUATION TEAM AND BIDDERS**

This RFP and related information can be found at 2023 Offshore Wind Procurement located on DEEP’s Energy Filings page.<sup>5</sup>

All communications from Bidders regarding this RFP must be submitted via e-mail with the subject line “2023 OSW Procurement” to [DEEP.EnergyBureau@ct.gov](mailto:DEEP.EnergyBureau@ct.gov). Bidders are prohibited from direct contact with individual members of the Evaluation Team or the Department Consultant regarding this RFP (other than as directed by the Evaluation Team).<sup>6</sup> Note that staff of the EDCs who are participating in the evaluation of bids under this RFP are bound by a Utility Standard of Conduct included as Appendices G-1 and G-2, which, among other things, prohibit EDC staff on the Evaluation Team from communicating any non-public information regarding this RFP with any other utility staff who may be developing or submitting a bid responsive to this RFP (other than as directed by the Evaluation Team).<sup>7</sup>

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<sup>5</sup> [https://www.dpuc.state.ct.us/DEEPEnergy.nsf/\\$EnergyView](https://www.dpuc.state.ct.us/DEEPEnergy.nsf/$EnergyView).

<sup>6</sup> Permissible contact directed by the Evaluation Team includes any meetings scheduled by the Commission on Environmental Standards.

<sup>7</sup> See Utility Standard of Conduct, available at Appendix G-1 (Eversource) and Appendix G-2 (UI).

Proposals shall demonstrate how the Bidder and proposed project(s) meet the project eligibility and threshold requirements set forth in this RFP.

**1.3.2 PROPOSAL SUBMISSION DEADLINE: January 31, 2024, at 12:00 P.M. (noon) E.P.T. Proposals received by the Evaluation Team after the deadline will be rejected.**

**1.3.3 OSW RFP SCHEDULE**

DEEP intends to adhere to the following schedule for this procurement but reserves the right to modify this schedule at any time. Any changes to this schedule will be posted on DEEP's Energy Filings website under 2023 Offshore Wind Procurement.

Commission on Environmental Standards releases draft recommendations for Public Comment	July 10, 2023
Deadline for Public Comment on Commission on Environmental Standards' draft recommendations	July 18, 2023
DEEP releases draft Offshore Wind RFP for Public Comment	July 25, 2023
Commission on Environmental Standards releases final recommendations	August 1, 2023
Deadline for Public Comment on draft Offshore Wind RFP	August 8, 2023
DEEP releases final Offshore Wind RFP	October 27, 2023
Bidders' Conference (remote)	November 16, 2023, 1:00 PM
Deadline for the submission of written questions to DEEP	November 27, 2023
Bidder submits Request for Submission Instructions	December 1, 2023
DEEP releases responses to questions on DEEP's website	December 8, 2023
Bid due date	January 31, 2024, by 12 noon
DEEP announces solicitation decision	Q2 2024
EDCs execute PPAs	Q3 2024
Submit contracts for PURA Approval	Q3 2024

**1.3.4 QUESTIONS FROM BIDDERS**

Prospective Bidders may submit written questions pertaining to the solicitation. The Department will endeavor to publish written responses to questions on a rolling basis. All questions must be submitted to [DEEP.EnergyBureau@ct.gov](mailto:DEEP.EnergyBureau@ct.gov) no later than November 27, 2023. The Department may elect not to answer any question submitted after this date. All responses to the questions will be published on the Department's website for all participants to view no later than December 8, 2023.

**1.3.5 PREPARATION OF PROPOSALS**

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

to make sure the proposal includes all the information required in Section 2.2, STAGE ONE – Minimum Threshold Requirements, and Section 2.3, STAGE TWO – Quantitative and Qualitative Analysis, of this RFP.

#### **1.3.5.1 ORGANIZATION OF THE PROPOSAL**

Eligible Bidders are required to organize their proposal consistent with Appendix B: Proposal Submission Instructions. The contents of the proposal should be organized as set forth in Appendix B.

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

Appendix D – Certification; and

Appendix E – Consent to Submittal to PURA.

#### **1.3.5.2 UPDATES TO PROPOSAL**

After proposal submissions, an Eligible Bidder may provide new information (e.g., the status of obtaining permits and financing), to the Evaluation Team about the Eligible Project that was not available at the time of proposal submission. These updates are for informational purposes only and will not be treated as a change or revision to the terms of the Eligible Bidder's proposal by the Evaluation Team. Eligible Bidders are not permitted to submit substantive revisions to their proposals, such as changes in pricing, specifications in the size or operation of the project, etc. unless specifically requested by the Evaluation Team. The Evaluation Team reserves the right to ask for pricing updates before selection if the Evaluation Team determines it is appropriate and the same opportunity is offered to all Eligible Bidders for Eligible Projects that passed Stage One of the evaluation.

#### **1.3.5.3 REQUESTS FOR ADDITIONAL INFORMATION**

Following the submission of proposals, the Evaluation Team may request clarification and additional information from Eligible Bidders at any time during the evaluation process. Eligible Bidders who do not respond within the timeframe provided by the Evaluation Team to such information requests or do not provide adequate information may be eliminated from further consideration. The Evaluation Team and the Department Consultant may adjust information from proposals provided by Eligible Bidders to accommodate electric market production cost modeling and produce a reasonable and appropriate evaluation.

#### **1.3.6 SUBMISSION REQUIREMENTS**

Proposals must be submitted to the Department, the EDCs, and the Department Consultant for bid evaluations in accordance with the instructions provided below.

##### **1.3.6.1 SUBMISSIONS TO THE DEPARTMENT AND EVALUATION TEAM**

All proposals must also be submitted publicly and electronically to the Department, with confidential material redacted in the public version at the Bidder's option, in accordance with the process set forth in Section 1.3.7 of this RFP. The Department will share confidential information with the Evaluation Team and the Department Consultant. Complete proposals must include a properly completed CPPD Form, as described in Appendix B, although at the Bidder's option the CPPD form submitted as part of the public redacted version may be a PDF instead of a working Excel file if the Bidder submits the unredacted CPPD form as a working Excel file with the unredacted version of the proposal. (See Section 1.3.7 of this RFP for treatment of confidential material). If there is conflicting information between the information in the CPPD form, and information in other forms, then the information in the CPPD form will be used in the evaluation. Information elsewhere in the bid cannot be used to modify or qualify any information in the

CPPD form. The public proposals must be complete in all respects other than the redaction of confidential information.

In order to submit a proposal publicly and electronically to the Department, the Bidder must email the Department at [DEEP.EnergyBureau@ct.gov](mailto:DEEP.EnergyBureau@ct.gov) no later than December 1, 2023 to receive bidder-specific file upload instructions in advance of the Bid due date (Request for Submission Instructions). The Department will email Bidders that sent a Request for Submission Instructions with bidder-specific file upload instructions in advance of the Bid due date. The Department reserves the right to exclude Bidders who do not submit a Request for Submission Instructions by this deadline. Bidders are responsible for following those upload instructions and filing any proposal on or before the Bid due date.

DEEP reserves the right to conduct in-person or virtual interviews with, or send follow up requests for information from, prospective Bidders who submit a Request for Submission Instructions.

**All information submitted to the Department may be subject to disclosure under the Connecticut Freedom of Information Act. The Department will not redact the proposal. Anything submitted without a clear CONFIDENTIAL label will be made AVAILABLE TO THE PUBLIC on the Department's Energy Filings webpage.** See Section 1.3.7 of this RFP for submission instructions for confidential information.

The public version will be posted on the public website under [2023 Offshore Wind Procurement](#) located on DEEP's Energy Filings page shortly after the bid submittal deadline.

Each proposal must be labeled with the Project Name and Bidder Name. The unredacted versions of proposals must include the Master Offer Form and CPPD forms as a working Excel file, with all required information included. The unredacted versions of proposals will be treated as confidential and sensitive information by the Evaluation Team, subject to the treatment of confidential information discussed in Section 1.3.7 of this RFP. Proposals must be received by **12:00 noon E.P.T., January 31, 2024**. The Department reserves the right to reject a proposal received after the deadline.

Each proposal shall contain the full name and business address of the Bidder and Bidder's contact person and shall be signed by an authorized officer of the Bidder. The full name and business address of the Bidder must be included in the public version of the proposal(s).

### **1.3.7 CONFIDENTIAL INFORMATION**

Bidders must redact all confidential or proprietary information including pricing in any public submittal and highlight the corresponding confidential information in the unredacted submittal in accordance with Section 1.3.6.1 of this RFP. When a Bidder submits confidential information, the Bidder acknowledges that the Connecticut Freedom of Information Act (FOIA) governs the public's accessibility to that information.

If a Bidder believes a portion or portions of information submitted in a proposal is specifically exempt from disclosure, the Bidder must submit:

One complete, redacted version of the proposal for public posting, which must be clearly labeled PUBLIC,

AND

One complete, unredacted version of the proposal for the Evaluation Team's review, which must be clearly labeled CONFIDENTIAL.

Bidders must also specifically identify which FOIA exemption may be applicable to the specific information claimed confidential. Examples of exemptions include, but are not limited to:

- Trade secrets, CGS § 1-210(b)(5)(A);
- Commercial and Financial information given in confidence, not required by statute, CGS § 1-210(b)(5)(B);
- Responses to any request for proposals or bid solicitation issued by a public agency or any record or file made by a public agency in connection with the contract award process, until such contract is executed or negotiations for the award of such contract have ended, whichever occurs earlier, provided the chief executive officer of such public agency certifies that the public interest in the disclosure of such responses, record or file is outweighed by the public interest in the confidentiality of such responses, record or file, CGS § 1-210(b)(24); and
- Public records exempt under federal law or state statute, CGS § 1-210(a).

Bidders shall 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. In making a request for protective treatment, Bidders must clearly identify which FOIA exemption(s) is applicable to the specific content; a blanket justification is prohibited. If a Bidder redacts confidential information, the Bidder must provide an affidavit detailing the legal basis for its confidentiality claim, describing what efforts have been taken to keep the information confidential, and providing whether the information sought to be protected has an independent economic value by not being readily known in the industry. If the redaction is challenged in any forum, it is the responsibility of the Bidder to defend the confidentiality of the information.

**All information included in the CPPD form for winning Eligible Bidders, including confidential information, may be affirmatively released by DEEP after contracts have been executed and approved by all relevant authorities, which may include energy regulatory authorities of other states if projects require approval from such agencies. To the extent DEEP receives a FOIA request and the winning Eligible Bidder wants to maintain the confidentiality of the information upon execution and approval of the contract, it is the obligation of the winning Eligible Bidder to demonstrate the information falls under a FOIA exemption.**

The Evaluation Team shall use commercially reasonable efforts to treat the confidential information that it receives from Bidders in a confidential manner. The Evaluation Team expects to disclose bid information to the Department Consultant and may disclose bid information to ISO-NE staff as part of the bid evaluation process. The Bidder authorizes the Department to share any information submitted in its proposal to the Department Consultant and/or ISO-NE. In addition, the Bidder authorizes ISO-NE to share any information regarding its project, including but not limited to the results of any interconnection studies performed by ISO-NE with the Evaluation Team, which information also will be treated as confidential. If confidential information is sought in any regulatory or judicial inquiry or proceeding or pursuant to a request for information by a government agency with supervisory authority over any of the EDCs, Bidders shall be informed that the confidential information is being sought. The Bidder shall be responsible for filing, submitting, and/or providing to the EDCs for such filing or submission, any motions or other pleadings (including associated affidavits, etc.) for protective orders or other relief to justify withholding the confidential information. Any protective orders sought at PURA or in other proceedings should acknowledge that the confidential information may be released by DEEP upon final regulatory approval.

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

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

#### **1.3.7.1 CONFIDENTIAL INFORMATION SHARING AUTHORIZATION FOR ISO-NE AND OTHER STATES**

ISO-NE may be requested to provide information to the Evaluation Team concerning proposals as part of the proposal evaluation process. By participating in this RFP, Bidders agree that ISO-NE and the Evaluation Team may exchange information related to the projects that may otherwise be considered confidential under the ISO-NE Information Policy. 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 1.3.7 of this RFP. Bidders shall provide written permission, in a certified letter to ISO-NE with a copy included in the submission to the Department, for ISO-NE and the Evaluation Team to exchange all information from all entities associated with the Bidders, including, but not limited to, Elective Transmission Upgrades or related ISO-NE interconnection queue position. Bidders shall provide a copy of this letter in response to Section 10.23 of Appendix B.

In addition, by participating in this RFP, Bidders agree that other state electric distribution companies and state agencies or any other entity assisting in an offshore wind procurement during the bid review time period ("Other States"), may release all information related to the projects in their possession that may otherwise be considered confidential to the Evaluation Team. Bidders also agree that the Evaluation Team may share on the condition that the information will be treated as confidential all information submitted to the Evaluation Team with the Other States.

#### **1.3.8 APPENDICES AND ATTACHMENTS**

A proposal will be considered incomplete unless all required Appendices and Attachments are signed and submitted with the proposal.

#### **1.3.9 BIDDER CERTIFICATION**

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

- The Bidder has reviewed this RFP and all appendices and attachments, and has investigated and informed itself with respect to all matters pertinent to this RFP and its proposal;

- The information contained in the Bidder's proposal is true and complete, and Bidder will amend its proposal if any substantial changes occur regarding the information provided in the proposal within ten (10) days of any such change;
- The Bidder's proposal is submitted in compliance with all applicable federal, state and local laws and regulations, including antitrust and anti-corruption laws;
- The Bidder is bidding independently and has no knowledge of non-public information associated with a proposal being submitted by another party in response to this RFP other than: (a) a response submitted (i) by an affiliate of Bidder or (ii) for a project where Bidder is also a project proponent or participant, which in each case must be disclosed in writing to the Evaluation Team with each such Bidder's or affiliated Bidder's proposal; or (b) a submission of multiple bids for the same Qualified Energy as discussed in Section 2.2.1 of this RFP.
- The Bidder has no knowledge of any non-public information associated with the development of this RFP;
- The Bidder's proposal has not been developed utilizing knowledge of any non-public information associated with the development of this RFP; and
- The Bidder has engaged all necessary legal, financial, engineering and technical resources in the review of this RFP and all appendices and attachments and in the preparation of Bidder's proposal.

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

#### **1.3.10 CHANGES OR CANCELLATIONS**

The terms and conditions of this RFP may, at any time, including but not limited to in response to federal funding deadlines, 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 of DEEP or the Evaluation Team. Any changes to or cancellations of this RFP will be posted on the public website under 2023 Offshore Wind Procurement located on DEEP's Energy Filings page. DEEP is particularly interested in the potential federal funding opportunities under the Grid Innovation Program (GIP). Following the announcement of the second Funding Opportunity Announcement for GIP, expected later this year, DEEP may send out additional information or requests for information relating to this funding opportunity. It is the responsibility of any party responding to this RFP to monitor this public website for updates or changes to the terms and conditions of this RFP.

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

### **II. EVALUATION AND SELECTION PROCESS**

#### **2.1 OVERVIEW**

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

## **2.2 STAGE ONE – MINIMUM THRESHOLD REQUIREMENTS**

Stage One minimum threshold requirements are set forth in this section of this RFP. In order for a proposal to qualify for evaluation, it must satisfy the requirements described in this section. These minimum threshold requirements are designed to ensure that proposed projects comply with the requirements of this RFP, satisfy any relevant statutory criteria under the Procurement Statute, and meet minimum standards demonstrating project viability. Proposals must respond to the questions outlined in Appendix B in their entirety to satisfy the Stage One requirements. Following receipt, the proposals will be reviewed to determine whether they satisfy these minimum threshold requirements. Proposals that do not satisfy the Stage One requirements, after any responses to clarification requests issued by the Evaluation Team, as described in Section 1.3.5.3 of this RFP, will be disqualified from further review and evaluation.

### **2.2.1 BID REQUIREMENTS**

Eligible Projects may be combined to form one bid. Positive contingent bids are allowed. For example, (1) the bid is contingent upon the purchase by another state's EDC of a portion of the output from the Eligible Project (i.e., Connecticut ratepayers can get a lower price if the same project is selected by a relevant EDCs or state agency in another state), or (2) the Bidder is offering a pricing option that is lower if two bids are selected. Any Bidder including a positive contingent bid must include pricing options for both bids that are not contingent. For example, any Bidder including a positive contingent bid upon another state's selection and resulting EDC purchase must include one pricing option that is not contingent upon another state's selection and resulting EDC purchase. Bidders may propose multiple bids for individual Eligible Projects with negative contingencies (e.g., bid A and bid B are different configurations and/or pricing for the same proposed Eligible Project, and only one bid may be accepted). Bidders should also indicate if the price already bid into another RFP for the same proposed Eligible Project would change if the proposed Eligible Project is selected in this RFP. Bidders should indicate if variations of any components of the proposal, for example, elements of the Environmental and Fisheries Mitigation Plan, are offered at a different price.

An Eligible Bidder that has also submitted a proposal in response to any ongoing solicitation for offshore wind in New England issued by an Other State must submit a copy of the complete, unredacted proposal submitted by the Eligible Bidder or any affiliate of the Eligible Bidder in response to such procurement as an attachment to any proposal submitted in response to this RFP. The Evaluation Team may use such copy to assess the reasonableness of the proposal, including pricing, compared to any proposals submitted in response to the relevant procurement. The Eligible Bidder should also indicate if any terms of the bid into the relevant procurement could/would change if the project is selected in this RFP, including but not limited to, contract price. Submit this in response to Section 3.5 of Appendix B. By participating in this RFP, Eligible Bidders agree that Other States may release all information related to the projects in their possession that may otherwise be considered confidential to the Evaluation Team. The Evaluation Team will treat the information provided as confidential as described above in accordance with the Confidential Information policies and practices described in Section 1.3.7 of this RFP. Eligible Bidders also agree that the Evaluation Team may share all information submitted to the Evaluation Team with the Other States with an ongoing solicitation for offshore wind on the condition that the information will be treated as confidential.

## **2.2.2 ELIGIBLE PROJECTS**

Eligible Projects must be new or Incremental. Eligible Projects must be offshore wind facilities that qualify as Class I renewable energy resources.

Eligible Projects must begin construction no earlier than the effective date of the Power Purchase Agreement (PPA), as defined in such PPA. The Deliveries under any resulting PPA must begin no earlier than July 1, 2024, and no later than December 31, 2032. To be eligible, bids may not require, or allow for, payment until service has commenced from the Eligible Project pursuant to the terms of the applicable contract. Confirm this information in response to Section 3.4 of Appendix B.

Eligible Projects must comply with all applicable state regulatory and land use requirements. For any Eligible Project, in whole or in part, located in Connecticut, selected Bidders are encouraged to have an environmental pre-application meeting with DEEP, which is separate from the DEEP Evaluation Team and Selection Team for this RFP.<sup>8</sup>

Eligible Projects cannot receive Connecticut ratepayer-funded incentives or subsidies, including but not limited to net metering, pursuant to CGS § 16-243h, virtual net metering, pursuant to CGS § 16-244u, or the Non-Residential Renewable Energy Solutions (NRES) program pursuant to CGS § 16-244z. Eligible Projects receiving loans from the Connecticut Green Bank are eligible.

## **2.2.3 QUANTITIES AND CONTRACT TERM LENGTHS**

Pursuant to the Procurement Statute, the maximum authorized procurement level for Qualified Energy and RECs in this RFP is 2,000 megawatts (MW) in the aggregate.

An Eligible Bidder may offer bids for a portion of the production of Energy and RECs from its proposed Eligible Project. An Eligible Bidder may also offer bids that aggregate capacity among two or more Qualified Energy Projects, provided that the Eligible Projects have the same contract purchase rate, deliver to the same Delivery point, contract term, contract start date, and that the aggregation allows for the execution of one contract per EDC for all the Qualified Energy Projects included in the bid (i.e., each EDC will only execute one contract for the bid, with one price and one Delivery point). Bidders can offer a pricing option that is lower if two projects are selected, consistent with Section 2.2.1 of this RFP. Include this information in the Master Offer Form and/or CPPD form.

The contract term lengths for Qualified Energy and RECs under the Procurement Statute is not more than twenty (20) years.

All production from the Eligible Project must be separately metered, may not be used to offset any electric bill charges, and will be paid the approved contract rates. Delivered energy shall be determined based on readings from the Eligible Project's revenue quality meter(s) which may be located either (i) on the off-shore electric service platform and adjusted to reflect losses to the on-shore Delivery point, or (ii) on-shore adjusted to reflect losses to the Delivery point. The Eligible Project's meter readings shall be separate and distinct from the meter readings of all other generation facilities and reported to ISO-NE for the Eligible Project as a stand-alone Generator Asset.

## **2.2.4 ELIGIBLE BIDDER**

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<sup>8</sup> For more information about pre-application meetings with DEEP, please visit: [Pre-Application Assistance \(ct.gov\)](http://Pre-Application Assistance (ct.gov)).

An Eligible Bidder must demonstrate that it has a lease from the Bureau of Ocean Energy Management (BOEM) for the Eligible Project. Include this information in response to Section 5.2 of Appendix B.

## **2.2.5 QUALIFIED ENERGY AND RECS VIA PPA**

An Eligible Bidder must bid to sell both Qualified Energy and RECs through a PPA. An Eligible Bidder must propose separate prices on a dollar per megawatt-hour (\$/MWh) for Qualified Energy and on a dollar per REC (\$/REC) basis, and a price schedule that conforms with Section 2.2.14 of this RFP. Include this information in the Master Offer Form and/or CPPD form. Any Class I RECs sold under a PPA will only be purchased by the applicable EDC to the extent that those RECs conform to the eligibility criteria for Connecticut Class I RECs. If an EDC agrees to purchase both Qualified Energy and RECs under a PPA and the RECs cease to conform to the RPS Connecticut Class I eligibility criteria, the applicable EDC may thereafter elect to purchase only electric energy under that PPA at the price for energy only, and if the EDC decides not to purchase those non-conforming RECs, then the seller will be permitted to sell them to a third party. The PPA in Appendix C contains terms and conditions for the sale of both Qualified Energy and RECs.

## **2.2.6 CAPACITY AND OTHER ISO NEW ENGLAND MARKETS**

Eligible Bidders are encouraged to bid into the ISO-NE Forward Capacity Market (FCM). If they do bid into the FCM, they will be held to that commitment in the PPA.

Each Eligible Proposal must include a commitment to interconnect to the ISO-NE PTF at a Capacity Capability Interconnection Standard (CCIS) equivalent level. Regardless of an Eligible Bidder's plans to bid into the FCM, each Eligible 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 Eligible Bidder with the required time series data for their project.

Final determination of the network upgrades required to support an Eligible 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 portion of network upgrades and the associated costs required to achieve such CCIS-equivalent interconnection at the time of bidding, a Bidder may include a preliminary non-binding overlapping impact study (PNOI) 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 Eligible Bidders or their consultants that approximate the ISO-NE interconnection process. Eligible Bidders may request a PNOI as part of their feasibility study or system impact study, as described in Section 8 of ISO-NE Planning Procedure 5-6. Once an Eligible Bidder has completed the FCAQ process to establish the upgrades necessary to interconnect to the PTF at the CCIS level, it need not continue to 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. However, Eligible Bidders must commit to building all network upgrades identified for their project in the FCAQ process.

If participating in the capacity market, Eligible Bidders must describe how they plan to bid into and obtain a capacity supply obligation in an auction, including pricing strategy in the auction. This FCAQ amount must be consistent with the amount that would typically be expected for similar projects of the same type, including nameplate rating and technology. Include this information in response to Section 4.1 of Appendix B. There will be no payments or price supports from the EDCs for capacity associated with any Qualified Energy procured under this RFP. The Bidder will retain any capacity revenues received from ISO-NE. The Eligible Bidder must disclose in its proposal if the Bidder is committing to bid that qualified capacity amount into the capacity market, and if so, must take any necessary and appropriate actions to qualify and participate.

A selected Bidder is entitled to the contract price plus any revenues generated in the capacity market. All other existing and future revenues, including new tax credits received by a selected Bidder related to this project, net of any costs incurred by the selected Bidder to secure such revenues, shall belong to the EDCs. It is the selected Bidder's affirmative obligation to make reasonable efforts to identify and pursue available revenue sources or future tax credits, including new revenue sources that may come to fruition that the selected Bidder is eligible to receive. The specific language regarding this provision is subject to negotiation with the EDCs if the project is selected.

## **2.2.7 INTERCONNECTION REQUIREMENTS**

Eligible Projects may interconnect anywhere within the ISO-NE control area or adjoining control areas. The Delivery of Energy from Eligible Projects must occur throughout the term of the PPA. It is the responsibility of the Eligible Bidder to satisfy the Delivery requirement. Bidders must identify the Delivery point. The Delivery point must be located so that EDCs are not responsible for wheeling charges or scheduling to move energy to the ISO-NE Pool Transmission Facilities (PTF). The EDCs will not be responsible for any costs associated with Delivery other than the payment of the bid prices. Similarly, EDCs will not be responsible for any scheduling associated with Delivery. Include this information in response to Section 4.3 of Appendix B.

Eligible Bidders must include a commitment to interconnect to the PTF at the level that is equivalent to the Capacity Capability Interconnection Standard by committing to build all required network upgrades identified in the FCAQ process. Include this information in response to Section 4.4 of Appendix B.

The Eligible Project shall comply with all applicable ISO-NE<sup>9</sup> and state interconnection requirements for generation facilities and interregional ties, as applicable, including but not limited to The Connecticut Light and Power Company<sup>10</sup> and The United Illuminating Company Generator Interconnection Technical Requirements.<sup>11</sup> A Bidder must describe the status of the planned interconnection to the grid. Include this information in response to Sections 4.7 and 4.8 of Appendix B. The EDCs will not provide preferential treatment, or any special assistance, for Eligible Projects selected through this RFP process in meeting interconnection requirements.

To meet this threshold requirement, Eligible Bidders must submit a plan that clearly demonstrates how Qualified Energy will be Delivered from or by the proposed Eligible Project to the Delivery point that is a PTF Node. Additionally, the Eligible Bidder must detail the status (and conclusions, as available) of

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<sup>9</sup> Section II of the *ISO New England Inc. Transmission, Markets, and Services Tariff* (the Open Access Transmission Tariff), Schedule 22, Appendix 6—Standard Large Generator Interconnection Procedures (more than 20 MW)

<sup>10</sup><https://www.eversource.com/Content/ct-c/about/doing-business-with-us/builders-contractors/interconnections/connecticut-application-to-connect>

<sup>11</sup> UI's interconnection requirements for CT can be found at <https://www.uinet.com/wps/portal/uinet/about/>

interconnection applications and studies. Include this information in response to Sections 4.6 and 4.7 of Appendix B.

Eligible Projects must have filed interconnection requests with ISO-NE or other applicable system operator as necessary and sufficient to gain an understanding of the maximum expected interconnection costs for their Eligible Project. Include this information in response to Section 4.7 of Appendix B.

An Eligible Bidder must confirm an understanding of the following: an Eligible Bidder will be responsible for all costs associated with and/or arising from interconnecting its project to the transmission grid and, if applicable, for ensuring that the Energy is recognized in ISO-NE's settlement system as being injected into the ISO-NE energy market at a specified and agreed upon pricing node; the EDCs will not assume the responsibility of Lead Market Participant for any project; and GIS certificates representing the Environmental Attributes associated with the Energy must be delivered into the applicable EDC's NEPOOL GIS account. Include this information in response to Section 4.13 of Appendix B.

Table 2 lists the reference cases for each of the Peak Load, Light Load, and Minimum Load study cases. Reference Section 2.2 of the April 4, 2022 edition of the ISO New England Transmission Planning Technical Guide for additional information.

The tables below list the generator dispatches and reference load level cases that must be studied for both pre-project and post-project cases, where pre-project cases do not include the generator under study. The generators in the dispatch table below shall not be re-dispatched as described in Section 3.3 ("Steady-State Redispatch") of ISO New England Planning Procedure 5-6. However, Bidders may dispatch generators within a small tolerance (e.g., <2%) of the values shown in order to secure study cases.

The generator under study must be dispatched at the maximum value in its proposed generation profile, regardless of the nameplate capacity of the ISO-NE interconnection request(s) associated with the bid.

Plant	Dispatch Level (MW)
QP 624	720
QP 700	712
QP 781	634
QP 837, QP 1116	1080
QP806, QP 1109	1183
Millstone 2	872
Millstone 3	1225

Load Level	Study Files in Base Case Library
Peak	Year 10 (2032) summer mid-day peak load high renewables case – 90/10 summer peak load with high renewables - 2032_NA_DPK_HiRe
Light	Year 10 (2032) spring nighttime minimum load high renewables case – Fixed load level of 7,680 MW with high renewables - 2032_NA_Nmin_HiRe

Minimum	Year 10 (2032) spring mid-day minimum load case – Fixed load level of 12,000 MW (before reductions due to PV) with PV dispatched to 90% - 2032_NA_DMin
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All other dispatch assumptions must align with ISO New England Planning Procedure 5-6. All dispatch assumptions must be fully documented.

The following projects and their associated network upgrades must be included in the case topology:

- QP 624 – Upgrades identified in System Impact Study dated 1/21/2019
- QP 700 – Upgrades identified in System Impact Study dated 10/6/2020
- QP 781 – Upgrades identified in System Impact Study dated 5/11/2020
- QP 837 – Upgrades identified in Feasibility Study dated 5/19/2021
- All upgrades identified in the First Cape Cod Resource Integration Study

All other case topology assumptions should align with the cases that would be used for a System Impact Study for the generator under study.

Unless otherwise state in this document, all steady state analysis assumptions shall align with Section 3 (“Steady-State Analysis”) of ISO New England Planning Procedure 5-6. Bidders shall run N-1 and N-1-1 analyses on all cases and clearly report all load flow results. Bidders shall report all overloaded elements and the associated first and second contingency, if relevant.

Bidders are not required to resolve overloaded conditions through redispatch or transmission solutions. Bidders shall maintain the dispatch levels shown in the dispatch table in this section and report all associated thermal overloads. Neither stability analysis nor short circuit analysis is required for this study.

## **2.2.8 GENERATION SITE/INTERCONNECTION ROUTE CONTROL**

The Eligible Bidder or its affiliates of an Eligible Project must demonstrate that it has a BOEM lease for the Facility. In all cases, site control and property rights include all necessary leases, easements or development rights necessary to operate or develop the Eligible Project, including any necessary leases from an applicable government authority. Include this information in response to Sections 3.1, 5.1 and 5.3 of Appendix B.

Eligible Bidders must also have property rights for a substantial portion of the property necessary for the interconnection and include a plan for acquiring the rest of the required property rights. Include this information in response to Sections 4.5, 5.2 and 5.3 of Appendix B.

If all property rights for the project site and/or the interconnection have not yet been obtained, the Eligible Bidder must describe the authority the developer has to acquire necessary rights of way; the experience of the developer in acquiring rights of way; the status of acquisition of right, title and interest in rights of way, substations and other property or facilities, if any, that are necessary for the proposed Eligible Project; and a detailed explanation of the feasibility of the Eligible Project and potential constraints and challenges. Include this information in response to Section 5.4 of Appendix B.

Proposals that include activities within Long Island Sound (LIS) shall include a detailed description of how the Eligible Project would be consistent with the goals and policies set forth in the Connecticut Coastal Management Act, as codified under CGS §§ 22a-92 through 22a-113c and in the Long Island Sound Blue

Plan as required by CGS § 25-157t(h), and the New York Long Island Sound Coastal Management Program. Such detailed description shall include a discussion and analysis of the potential impacts to natural resources, ecosystems, and traditional or existing water dependent uses, including but not limited to navigation, recreation, fishing and aquaculture, and shall reference the applicable information and data compiled by the New York Geographic Information Gateway, the Northeast Ocean Data Portal, the Mid-Atlantic Ocean Data Portal, Long Island Sound datasets hosted by the Columbia University Marine Geoscience Data System, CTECO Aquaculture Mapping Atlas, the Blue Plan, Blue Plan Map Viewer and DEEP. Include this information in response to Section 11.6 of Appendix B.

Proposals that include in-water activities outside of Connecticut waters in LIS shall include a detailed description of how the Eligible Project would be consistent with all applicable marine spatial plans, including but not limited to the New York Ocean Action Plan, the Rhode Island Ocean Special Area Management Plan, the Massachusetts Ocean Plan, and the Northeast Regional Ocean Plan. Such detailed description shall include a discussion and analysis of the potential impacts to natural resources, ecosystems, and traditional or existing water dependent uses, including but not limited to navigation, recreation, fishing and aquaculture, and shall reference the information and data compiled pursuant to applicable marine spatial plans. Include this information in response to Section 11.6 of Appendix B.

#### **2.2.9 TECHNICAL VIABILITY; ABILITY TO FINANCE THE PROPOSED ELIGIBLE PROJECT**

The Eligible Bidder must demonstrate that the equipment it proposes to use is technically viable. Technical viability may be demonstrated by showing that the technology is commercially available and has been used successfully as outlined in Section 6 of Appendix B. Include this information in response to Sections 6.1 through 6.6 of Appendix B. The Eligible Bidder must include operational parameters for the Eligible Project consistent with Section 7 of Appendix B. Include this information in response to Sections 7.1 through 7.5 of Appendix B. The Eligible Bidder must include an energy resource plan consistent with Section 8 of Appendix B. Include this information in response to Section 8 of Appendix B. The Eligible Bidder must include a reasonable and complete critical path schedule for development of the Eligible Project consistent with Section 9 of Appendix B. Include this information in response to Section 9 of Appendix B.

The Eligible Bidder must demonstrate that it has the technical, financial and managerial capabilities to develop the proposed Eligible Project, including the funding of development and construction costs, the required development period security (as described in Section 2.4.2 of this RFP), reasonable estimated interconnection costs, and capability to fund any required decommissioning of the Eligible Project, and the ability to acquire the required equipment in the time frame proposed. Include this information in response to Sections 10.2, 10.6, and 10.24 of Appendix B.

#### **2.2.10 ENVIRONMENTAL VIABILITY; ENVIRONMENTAL AND FISHERIES MITIGATION PLAN**

Using the information provided in Section 11 of Appendix B, the Eligible Bidder must demonstrate environmental viability, which includes a viable plan to acquire the permits and licenses necessary to develop the Eligible Project. Include this information in response to Sections 11.1 and 11.2 of Appendix B.

The Eligible Bidder must include an assessment of environmental impacts based on the information provided in Section 11 of Appendix B, and the plan sufficient to mitigate such impacts or impediments to the satisfaction of DEEP. The Eligible Bidder must demonstrate this through an Environmental and Fisheries Mitigation Plan for the construction and operation of such offshore wind facilities, which shall include the following elements:

- a. The Eligible Bidder must include an Adaptive Plan with clearly identified Stakeholders, a Stakeholder engagement process, a plan for pre-construction and risk assessment, a process to avoid, minimize, and mitigate risks to Stakeholders throughout the project phases, funding set aside for wildlife and fisheries regional monitoring and mitigation, a commitment to follow BOEM's Guidelines for Mitigating Impacts to Commercial and Recreational Fisheries on the Outer Continental Shelf Pursuant to 30 CFR Part 585 dated June 23, 2022, and a reporting schedule on such plan.<sup>12</sup> Include this information in response to Section 11.7 of Appendix B.
- b. The Eligible Bidder must address how it will inventory, avoid, minimize, and mitigate the following specific hazards: risk to commercial fisheries, risk to marine mammals and sea turtles with specific justification for foundation type or types and installation methods, risk to birds and bats, and risk to other species. Include this information in response to Section 11.8 and Section 11.20 of Appendix B.
- c. The Eligible Bidder must include a Data Reference and Sharing Plan that addresses coordination with relevant Regional Working Groups and a plan to store and share inventory and monitoring data. Include this information in response to Section 11.10 of Appendix B.

The Eligible Bidder must also include a decommissioning plan for the entire Eligible Project, including but not limited to Eligible Project components located in non-federal waters consistent with Section 11 of Appendix B. Include this information in response to Section 11.5 of Appendix B.

The Eligible Bidder's responses to Section 11 of Appendix B should to the extent possible be shared in unredacted form in the public version of the submitted bid and must be substantially unredacted.

#### **2.2.11 EXPERIENCE**

The Eligible Bidder must demonstrate that it has a sufficient amount of relevant experience and expertise, as applicable, to successfully develop, finance, construct, operate, and maintain its proposed Eligible Project consistent with Sections 12 and 13 of Appendix B, including but not limited to, a demonstrated ability to successfully navigate the complex permitting and stakeholder engagement processes required to develop the Eligible Project. Development, financing and construction experience can be established by demonstrating that key member(s) of the Bidder's development team have previously undertaken project management responsibilities, including:

- 1) Successful development and construction of a similar type of project (include this information in response to Section 12.2 of Appendix B); or
- 2) Successful development and construction of one or more projects of similar size or complexity or requiring similar skill sets (include this information in response to Section 12.3.i of Appendix B);
- 3) Experience successfully financing power generation (or demonstrating the financial means to finance the Eligible Project on the Eligible Bidder's, Eligible Project developer's or Eligible Project owner's balance sheet) (include this information in response to Section 12.3.ii of Appendix B); and
- 4) Experience in complex permitting processes and/or Stakeholder engagement processes (include this information in response to Section 12.7 of Appendix B).

Operation and maintenance should be addressed as outlined in Section 13 of Appendix B. The Eligible Bidder must provide examples of operation and maintenance experience for other similar projects. Include this information in response to Section 13.5 of Appendix B.

#### **2.2.12 PROJECT LABOR**

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<sup>12</sup> [Guidelines for Mitigating Impacts to Commercial and Recreational Fisheries on the Outer Continental Shelf Pursuant to 30 CFR Part 585 \(boem.gov\)](https://boem.gov/Portals/0/BOEM/OuterContinentalShelf/OuterContinentalShelf/OuterContinentalShelf/OuterContinentalShelf%20Guidelines/BOEM%20Guidelines%20for%20Mitigating%20Impacts%20to%20Commercial%20and%20Recreational%20Fisheries%20on%20the%20Outer%20Continental%20Shelf%20Pursuant%20to%2030%20CFR%20Part%20585.pdf)

Consistent with CGS § 16a-3n(a)(2), Eligible Bidders must pay not less than the prevailing wage, as described in CGS § 31-53, for laborers, workmen and mechanics performing construction activities within the United States, including federal waters, with respect to the Eligible Project. Eligible Bidder must also engage in a good faith negotiation of a project labor agreement, which will include at a minimum the terms described in Section 15.2 of Appendix B. Include this information in response to Section 15 of Appendix B. Prevailing wage rates are included in Appendix A.

### **2.2.13 PROPOSAL CERTIFICATION**

Eligible Bidders are required to sign the Proposal Certification and Authorization Form in the Master Offer Form and/or CPPD form verifying that the price(s), terms and conditions of the proposal are valid for at least two hundred seventy (270) days following submission. Only an officer or other duly authorized representative of the Eligible Bidder may sign the Proposal Certification Form. Include this information in the Master Offer Form and/or CPPD form.

### **2.2.14 ALLOWABLE FORMS OF PRICING**

#### **2.2.14.1 PPA PRICING**

Proposals for Energy and RECs to be sold under a PPA will be accepted only if they conform to the following requirements:

1. The proposal must provide fixed prices (in \$/MWh and \$/REC) annually for the term of the contract, and prices may be the same each year or increase over time by a fixed percentage.
2. The proposal must include prices that must be paid on a \$/MWh and \$/REC basis for actual production, following Delivery on a monthly basis over the life of the contract. No fixed payments, pre-payments or fees shall be included in the proposal or paid.
3. Proposals must provide separate prices for such Energy and RECs.
4. Payment for RECs will be made after receipt of the appropriate GIS Certificate in the applicable EDC's NEPOOL GIS account.

Bidders may submit an alternative pricing option, an “Indexed Price Bid,” which will be subject to a one time Indexing Adjustment, to take place on a specified Adjustment Date, as described in this section. The Indexed Price Bid proposal may only include changes to the project price and cannot alter other aspects of the proposal. If a Bidder elects to propose an Indexed Price Bid, Bidder must also propose at least one price that is not an Indexed Price Bid but is the same in all other respects as the Indexed Price Bid. If the bid price increases over time by a fixed percentage, then the Indexing Adjustment applies to the first year price only.

An Indexed Price Bid is a fixed \$/MWh price for Energy and RECs that will allow the Bidder to construct and operate the project as proposed under the Bidder's central set of assumptions about project costs.

An Indexing Adjustment will be applied to increase or decrease the Indexed Price Bid price by up to fifteen percent (15%) based on the change in the set of macroeconomic and commodity indices (the Composite Set of Indices) and using the Indexing Adjustment Mechanism specified in Appendix H. The change in price due to the Indexing Adjustment will be limited to fifteen percent (15%), that is, it will be neither increased nor decreased more than fifteen percent (15%), even if a larger adjustment is indicated by the Composite Set of Indices.

For each unique project proposed by a Bidder under this RFP, the Bidder may include up to two Indexed Price Bid alternatives. The first such Indexed Price Bid must be a bid where the Adjustment Date for the

Indexing Adjustment will occur one year following the date on which a final decision from PURA approving the long-term contracts resulting from this solicitation is issued.

The Bidder may optionally propose a second Indexed Price Bid where the Adjustment Date for the Indexing Adjustment will occur at the time of the selected project's anticipated financial close. As part of a second Indexed Price Bid, the Bidder must specify the anticipated financial close date for the project. The Evaluation Team will review the anticipated financial close date for reasonableness and reserve the right to modify such date upon selection. If this second Indexed Price Bid is selected, the Adjustment Date will be the earlier of the anticipated financial close date specified in the bid or the actual financial close date. For clarity, the anticipated financial close date is the initial date as proposed and excludes any critical milestone extensions the Bidder may exercise under the PPA.

Include this information in the Master Offer Form and/or CPPD form.

#### **2.2.14.2 OTHER REQUIRED PRICING PARAMETERS**

Proposals will be accepted only if they conform to the following requirements:

Proposed prices may not be conditioned upon or subject to adjustment based upon the availability of the Federal Production Tax Credit or the Federal Investment Tax Credit, or the availability or receipt or continuation for any period of any other tax treatment or government grant or subsidy. Include this information in response to Section 10.8 of Appendix B.

Bidders must separately, for informational purposes, break out from the proposed price for Qualified Energy and RECs in Section 2.2.5 the estimated cost of the transmission (including interconnection-related upgrade costs, but not including array cables) necessary to deliver the Qualified Energy on a \$/MWh basis.

Bidders should indicate whether the Eligible Project or contract size ( $MW_{AC}$ ) is scalable, the size of each increment, and the minimum and maximum size of the project based on the property controlled by the Bidder, based upon the pricing submitted in the CPPD. Include this information in the Master Offer Form and/or CPPD form.

The Eligible Bidder must identify its proposed Delivery point for Qualified Energy. Include this information in the Master Offer Form and/or CPPD form and in response to Section 4.3 of Appendix B.

Under the terms of the PPA, in the event that the Locational Marginal Price (LMP) for the Qualified Energy at the Delivery point is less than \$0.00 per MWh in any hour, then the Buyer will purchase the Delivered energy at the contract rate and the Seller shall credit to Buyer, on the same monthly invoice, an amount equal to the product of (i) such Qualified Energy Delivered in each such hour and (ii) the absolute value of the hourly LMP at that Delivery point. If a Bidder proposes to eliminate this provision in the form PPA in its response to Section 16 of Appendix B, the Bid will fail the Stage One Minimum Threshold evaluation.

Under the terms of the PPA, Buyer shall have no obligation to receive or purchase any Products (as defined in the PPA) prior to the Commercial Operation Date (as defined in the PPA) (the Test Period), and Seller shall have the right to sell all Products generated during the Test Period to other parties.

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

#### **2.2.15 PROPOSAL COMPLETENESS: ELIGIBLE BIDDER RESPONSE FORMS AND THE FORM OF AGREEMENT**

Eligible Bidders must follow the instructions provided in Appendix B and provide complete responses to all requests for information from Eligible Bidders. Eligible Bidders are also required to fill out Appendices D and E. Eligible Bidders are required to provide the information specified in each section of the Master Offer Form and CPPD form. If any of the information requested is inconsistent with the product proposed, the Eligible Bidder should include "N/A" and describe the basis for this determination. If an Eligible Bidder does not have the information requested in the bid forms and cannot obtain access to the information prior to the bid submittal due date, the Eligible Bidder should provide an appropriate explanation.

Appendix C includes the Form of Agreement being used in this solicitation. Eligible Bidders must include a marked version showing any proposed changes to the applicable Form of Agreement with their bid, and it is assumed that Eligible Bidders would be willing to execute a Form of Agreement as marked and included in their bids. Eligible Bidders are discouraged from proposing material changes to the Form of Agreement provided in Appendix C and the EDCs will not accept changes that impose additional risks or costs on the EDCs.

## **2.2.16 COMMUNITY ENGAGEMENT AND PUBLIC PARTICIPATION**

The State of Connecticut places a high value on public participation in the procurement process, as it promotes transparency, accountability, and inclusivity, while building trust and stronger relationships between government, stakeholders, and communities. By involving the public in the procurement process, we can deliver better outcomes for all stakeholders.

Eligible Bidders must provide documentation of community outreach and engagement regarding the Bid conducted to date and describe how they are addressing issues of diversity, equity, and inclusion. Include this information in response to Section 14 of Appendix B.

## **2.2.17 MULTI-STATE BID PROPOSALS**

Pursuant to the October 3, 2023, Offshore Wind Multi-State Coordination Memorandum of Understanding by and among the States of Connecticut and Rhode Island and the Commonwealth of Massachusetts (Multi-State MOU),<sup>13</sup> DEEP, the Massachusetts Department of Energy Resources, and the Rhode Island Office of Energy Resources have agreed to consider multi-state bid proposals for new offshore wind facilities.

Bidders must submit at least one multi-state proposal for all Parties to the Multi-State MOU (or their EDCs, as applicable) to consider proportional sharing. Instructions on how to submit a multi-state proposal will be contained within the Multi-State Proposal Form which will be posted on DEEP's Energy Filings website under 2023 Offshore Wind Procurement prior to the bid deadline. In accordance with the Multi-State MOU:

All Parties shall consider (and request that their EDC consider, as applicable) the multi-state proposal regardless of whether the Bidder has submitted an associated single-state proposal to each Party or their EDC. At least one multi-state proposal shall not be contingent upon selection of any other bid to any Party or their EDC, but other proposals can be contingent upon selection of a multi-state proposal, i.e., if a multi-state proposal is selected, the price of additional MWs for a proposal that is not the multi-state proposal decreases. A multi-state proposal must offer the same price to all Parties or their EDC, as

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<sup>13</sup> <https://portal.ct.gov/-/media/DEEP/energy/Procurements/MARICT-Offshore-Wind-Procurement-Collaboration-Memorandum-of-Understanding--Final-10323-CEM-Sig.pdf>

applicable, except as to severable commitments, such as economic development investments at specific locations and environmental commitments, that can be added to the bid and optionally selected by any of the Parties or the applicable EDC individually. The severable commitments should be described in detail in such multi-state proposals including, without limitation, any cost variance associated with such commitments and how such cost variances are applied. Multi-state proposals may be contingent on being selected as part of a multi-state selection.

To be considered, Bidders must ensure their multi-state proposals conform to the requirements for multi-state proposals included in the Multi-State MOU and the Multi-State Proposal Form.

Any Party to the Multi-State MOU (or their EDC, as applicable), as determined in its sole discretion, may join one or more multi-state selections, select one or more single-state bids, or select any combination thereof for up to their total procurement authority. A multi-state selection may be made by any two or three Parties and/or their EDCs.

### **2.3 STAGE TWO – QUANTITATIVE AND QUALITATIVE ANALYSIS**

Proposals that meet the requirements of the Stage One review will be subject to a quantitative and qualitative analysis in Stage Two of the evaluation process. All proposals will be evaluated using the evaluation criteria detailed below. The results of the quantitative and qualitative analysis will be a relative ranking and scoring of all proposals. Stage Two scoring will be based on a one hundred-point (100-point) scale. Proposals will be scored with up to seventy-five (75) points for quantitative factors. The remaining twenty-five (25) points will be scored for qualitative factors for purposes of conducting the Stage Two 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 is unlikely to be selected based upon the quantitative results even if it received the maximum possible qualitative score. It is expected that not all proposals will pass to Stage Two and that not all proposals evaluated in Stage Two will be offered the opportunity to proceed to contract negotiation.

#### **2.3.1 EVALUATION USING QUANTITATIVE EVALUATION CRITERIA**

The quantitative evaluation will take place in multiple steps. The first step will be a screening process wherein the Evaluation Team will compare bids directly and determine whether one or more bids are not economically competitive when compared to other bids. If, in the Evaluation Team's view, one or more bids are not economically competitive enough to be selected irrespective of qualitative evaluation results or indirect benefits, then such bids will not proceed to the next step of the quantitative evaluation. Bids that proceed in the quantitative evaluation will be evaluated based on a combination of their indirect economic benefits and direct contract price benefits where applicable.

##### **2.3.1.1 INDIRECT ECONOMIC BENEFITS**

The quantitative evaluation process will include an evaluation of the indirect economic benefits to the electric system to customers using the outputs from an electric market simulation model. The indirect economic benefits will be measured for Connecticut customers by comparing the model outputs with and without the bid.

##### **2.3.1.2 DIRECT CONTRACT BENEFITS**

Direct contract price benefits will be evaluated using a mark-to-market comparison of the purchase price of the Qualified Energy and using a reasonable value for RECs purchased under a PPA to the projected market prices for energy and value for RECs at the Delivery point with the project in-service.

### **2.3.1.3 QUANTITATIVE EVALUATION METRICS**

The quantitative evaluation will use a multi-year net present value analysis to preliminarily score all projects that pass Stage One of the Evaluation. For purposes of computing the net present value, a nominal discount factor of seven percent (7%) will be used. The metric used for scoring bids will be the ratio of the net present value of direct and indirect benefits to net present value costs of the projects.

The Qualifying Energy production profile provided by the Eligible Bidder will be evaluated for reasonableness. It is the Bidder's responsibility to support the basis for all estimates and underlying assumptions. The Evaluation Team reserves the right to modify any Bidder production profile or estimated cost (i.e., use a different profile or estimated cost from that provided by the Bidder) or any other estimate in order to produce a reasonable and appropriate evaluation.

### **2.3.2 QUALITATIVE EVALUATION**

The qualitative evaluation will consist of the factors mandated by the Procurement Statute as well as factors deemed important by the Evaluation Team. The purpose of such criteria is to permit evaluation of Connecticut-specific factors, including reliability, economic and environmental impacts.

The factors that will be assessed in qualitative evaluation for all resources include:

1. Consistency with the policy goals outlined in the Connecticut Comprehensive Energy Strategy and the IRP;
2. Meaningful public participation and environmental justice practices;
3. Plans for the use of skilled labor and impact on Connecticut's economic development;
4. Plans and practices to avoid, minimize, and mitigate current known and future discovered impacts to wildlife, natural resources, ecosystems and traditional or existing water-dependent uses, including, but not limited to, commercial fishing.

Bidders may provide different pricing options for elements to respond to any of the above listed qualitative factors (i.e., different technologies to avoid or minimize impacts to wildlife, natural resources, ecosystems, and traditional or existing water-dependent uses, including, but not limited to, commercial fishing; indicate any such information in Part II of the Master Offer Form that describes contingencies among offers). See the public participation guidance from the Governor's Council on Climate Change for best practices.<sup>14</sup>

With respect to item 3, "Plans for the use of skilled labor and impact on Connecticut's economic development," the DEEP Commissioner will evaluate proposals in consultation with the Department of Economic and Community Development. DECD will focus primarily on the strength of commitments made by Bidders with respect to the procurement of goods and services which will bring jobs and investment to Connecticut. Secondarily, DECD will recommend proposals which bring new in-state investments in other areas likely to spur economic development, such as supply chain capabilities, infrastructure improvements, business development supports, workforce development, and research and development. For both factors, DECD will prioritize jobs, investment, and other economic benefits which are created

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<sup>14</sup> See <https://portal.ct.gov/DEEP/Climate-Change/GC3/Public-Participation-Documents>

within distressed municipalities or other areas demonstrated to have been disadvantaged historically. Bids must include clear outlines of investment and job creation commitments within the boundaries of the State of Connecticut, including but not limited to 1) direct employment/wages, 2) supplier spend, and 3) workforce development spend. These investment and job creation commitments must be presented in designated periods over the lifespan of the proposed project, including: 1) the project development period; 2) project construction period; and 3) project maintenance/operation period. The project maintenance/operation period should be presented in five-year increments (i.e., project maintenance/operations years 1-5, 6-10, 11-15, etc.). Should a selected Bidder fail to meet its direct investment and/or direct job creation commitments at the end of any designated period, the Bidder must commit at a minimum to both funding the difference between the commitment value and the actual value, plus providing an additional ten percent (10%) of the missed direct investment and direct job creation commitment value for the period, to be deposited into a DECD-controlled offshore wind investment fund. Final terms and conditions will be negotiated between DECD and the selected Bidder.

For example:

Developer A committed \$100 million to be spent in a designated period, including a combination of direct employment/wages, supplier spend, and workforce development spend. At the end of the designated period, Developer A met \$90 million of its \$100 million commitment. Developer A is therefore responsible for the difference between their commitment and actual spend (\$10 million), PLUS providing an additional ten percent (10%) of the missed commitment value (\$1 million), for a total of \$11 million to be deposited into a DECD-controlled offshore wind investment fund.

Ancillary community benefit agreements which do not directly relate to these criteria, whether memorialized in memoranda of understanding or otherwise, will not factor into the qualitative analysis of proposals with respect to economic development.

The Selection Team will consider the quantitative and qualitative evaluation results and rankings to determine Eligible Projects for selection. The DEEP Commissioner will make the selection of any projects, in consultation with the PURA Procurement Manager, OCC, AGO, and with the assistance of the Department Consultant.

A Bidder, if selected, must commit to meet the commitments it included in its winning bid, including, but not limited to, commitments related to public participation and environmental justice practices, direct investment and direct job creation, and the Environmental and Fisheries Mitigation Plan. DEEP and DECD will consider the selected Bidder's performance on its commitments in evaluating bids received from the Bidder in future RFPs.

## **2.4 CONTRACTING PROCESS**

### **2.4.1 AGREEMENTS**

Eligible Bidders will be notified whether they have been selected to enter into contract negotiations with the EDCs. The Procurement Statute (Appendix F) allows the DEEP Commissioner to direct the Connecticut EDCs to enter into agreements.

The selected Eligible Bidders will negotiate separate conforming PPAs with both EDCs. The EDCs will then negotiate to contract for their load ratio share. Contract finalization and execution between the selected Eligible Bidders and the EDCs may occur on a rolling basis throughout the period during which the proposals are valid. The EDCs have developed standard forms of PPA included in Appendix C and any

proposed changes to the PPA must be clearly stated in a marked PPA draft submitted with the proposal. The EDCs will not accept proposed changes to the PPA that impose additional risks or costs on the EDCs.

#### **2.4.2 SECURITY**

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

The required level of development period security is \$80,000 multiplied by the MW contract maximum amount in MWs for the project. Additional development period security may be required if the bidder or its affiliate has previously defaulted on or terminated a power purchase agreement prior to commercial operation or requested or received a price increase in a previously approved power purchase agreement or contract for the sale of RECs in any jurisdiction. One hundred percent (100%) of the security must be provided at the time of PPA execution. Security will be promptly returned if PURA does not approve the PPA, so long as Bidder supports regulatory approval of the resulting PPA.

Upon a project achieving commercial operation, the required level of operating period security will decrease to \$40,000 multiplied by the MW contract maximum amount in MWs for the project.

The EDCs 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 that meets the requirements provided in the Form of Agreement in Appendix C.

#### **2.5 REGULATORY APPROVAL**

Any PPA entered into pursuant to the Procurement Statute shall be subject to review and approval by PURA, which review shall be completed no later than one hundred and twenty (120) days after the date on which such agreement is filed with PURA. The applicable EDC will have the opportunity to terminate the PPA if the Regulatory Approval contains terms or conditions that are deemed unsatisfactory, at the applicable EDC's sole discretion.

## **APPENDIX A**

### **Prevailing Wage Rates**

**Minimum Rates and Classifications  
for Building Construction**

ID#: 23-53482

**Connecticut Department of Labor  
Wage and Workplace Standards**

By virtue of the authority vested in the Labor Commissioner under provisions of Section 31-53 of the General Statutes of Connecticut, as amended, the following are declared to be the prevailing rates and welfare payments and will apply only where the contract is advertised for bid within 20 days of the date on which the rates are established. Any contractor or subcontractor not obligated by agreement to pay to the welfare and pension fund shall pay this amount to each employee as part of his/her hourly wages.

Project Number:

Project Town: Statewide

State#:

FAP#:

Project: 2023 Offshore Wind Procurement

CLASSIFICATION	Hourly Rate	Benefits
1b) Asbestos/Toxic Waste Removal Laborers: Asbestos removal and encapsulation (except its removal from mechanical systems which are not to be scrapped), toxic waste removers, blasters. **See Laborers Group 7**		
1c) Asbestos Worker/Heat and Frost Insulator	45.56	32.65
2) Boilermaker	45.21	29.05
3a) Bricklayer, Cement Mason, Concrete Finisher (including caulking), Stone Masons	39.4	34.62 + a
3b) Tile Setter	37.1	30.52
3c) Tile and Stone Finishers	30.0	25.30
3d) Marble & Terrazzo Finishers	31.07	24.23
3e) Plasterer	42.77	29.63

*As of:* October 5, 2023

-----LABORERS-----

4) Group 1: General laborers, carpenter tenders, concrete specialists, wrecking laborers and fire watchers.	33.5	25.59
4) Group 1a: Acetylene Burners (Hours worked with a torch)	34.5	25.59
4a) Group 2: Mortar mixers, plaster tender, power buggy operators, powdermen, fireproofer/mixer/nozzelman (Person running mixer and spraying fireproof only).	33.75	25.59
4b) Group 3: Jackhammer operators/pavement breaker, mason tender (brick), mason tender (cement/concrete), forklift operators and forklift operators (masonry).	34.0	25.59
4c) **Group 4: Pipelayers (Installation of water, storm drainage or sewage lines outside of the building line with P6, P7 license) (the pipelayer rate shall apply only to one or two employees of the total crew who primary task is to actually perform the mating of pipe sections) P6 and P7 rate is \$26.80.	34.5	25.59
4d) Group 5: Air track operator, sand blaster and hydraulic drills.	34.25	25.59
4e) Group 6: Blasters, nuclear and toxic waste removal.	36.5	25.59
4f) Group 7: Asbestos/lead removal and encapsulation (except it's removal from mechanical systems which are not to be scrapped).	36.5	25.59
4g) Group 8: Bottom men on open air caisson, cylindrical work and boring crew.	31.78	25.59
4h) Group 9: Top men on open air caisson, cylindrical work and boring crew.	31.24	25.59
4i) Group 10: Traffic Control Signalman	20.1	25.59

*As of:*

October 5, 2023

4j) Group 11: Toxic Waste Removers A or B With PPE	36.5	25.59
5) Carpenter, Acoustical Ceiling Installation, Soft Floor/Carpet Laying, Metal Stud Installation, Form Work and Scaffold Building, Drywall Hanging, Modular-Furniture Systems Installers, Lathers, Piledrivers, Resilient Floor Layers.	37.61	27.61
5a) Millwrights	38.02	28.41
6) Electrical Worker (including low voltage wiring) (Trade License required: E1,2 L-5,6 C-5,6 T-1,2 L-1,2 V-1,2,7,8,9)	43.75	32.47+3% of gross wage
7a) Elevator Mechanic (Trade License required: R-1,2,5,6)	61.42	37.335+a+b
-----LINE CONSTRUCTION-----		
Groundman	26.5	6.5% + 9.00
Linemen/Cable Splicer	48.19	6.5% + 22.00
8) Glazier (Trade License required: FG-1,2)	41.18	24.55 + a
9) Ironworker, Ornamental, Reinforcing, Structural, and Precast Concrete Erection	42.37	40.02 + a
-----OPERATORS-----		
Group 1: Crane Handling or Erecting Structural Steel or Stone; Hoisting Engineer (2 drums or over). (Trade License Required)	52.78	27.80 + a
Group 1a: Front End Loader (7 cubic yards or over); Work Boat 26 ft. and Over	48.37	27.80 + a

Group 2: Cranes (100 ton rate capacity and over); Bauer Drill/Caisson. (Trade License Required)	52.41	27.80 + a
Group 2a: Cranes (under 100 ton rated capacity).	51.51	27.80 + a
Group 2b: Excavator over 2 cubic yards; Pile Driver (\$3.00 premium when operator controls hammer)	48.0	27.80 + a
Group 3: Excavator; Gradall; Master Mechanic; Hoisting Engineer (all types of equipment where a drum and cable are used to hoist or drag material regardless of motive power of operation), Rubber Tire Excavator (Drott-1085 or similar); Grader Operator; Bulldozer Finegrade. (slopes, shaping, laser or GPS, etc.). (Trade License Required)	47.1	27.80 + a
Group 4: Trenching Machines; Lighter Derrick; CMI Machine or Similar; Koehring Loader (Skooper); Goldhofer.	46.64	27.80 + a
Group 5: Specialty Railroad Equipment; Asphalt Spreader, Asphalt Reclaiming Machine; Line Grinder; Concrete Pumps; Drills with Self Contained Power Units; Boring Machine; Post Hole Digger; Auger; Pounder; Well Digger; Milling Machine (over 24 mandrel).	45.92	27.80 + a
Group 5 continued: Side Boom; Combination Hoe and Loader; Directional Driller.	45.92	27.80 + a
Group 6: Front End Loader (3 up to 7 cubic yards); Bulldozer (rough grade dozer).	45.55	27.80 + a
Group 7: Asphalt Roller; Concrete Saws and Cutters (ride on types); Vermeer Concrete Cutter; Stump Grinder; Scraper; Snooper; Skidder; Milling Machine (24" and under mandrel).	45.14	27.80 + a
Group 8: Mechanic; Grease Truck Operator; Hydroblaster; Barrier Mover; Power Stone Spreader; Welding; Work Boat Under 26 ft.; Transfer Machine; Rigger Foreman.	44.67	27.80 + a
Group 9: Front End Loader (under 3 cubic yards); Skid Steer Loader regardless of attachments; (Bobcat or Similar); Forklift, Power Chipper; Landscape Equipment (including Hydroseeder); Vacuum Excavation	44.14	27.80 + a

**As of:** October 5, 2023

Truck and Hydrovac Excavation Truck (27 HG pressure or greater).

Group 10: Vibratory hammer; ice machine; diesel and air, hammer, etc.	41.69	27.80 + a
Group 11: Conveyor, earth roller, power pavement breaker (whiphammer), robot demolition equipment.	41.69	27.80 + a
Group 12: Wellpoint Operator.	41.61	27.80 + a
Group 13: Compressor Battery Operator.	40.92	27.80 + a
Group 14: Elevator Operator; Tow Motor Operator (solid tire no rough terrain).	39.54	27.80 + a
Group 15: Generator Operator; Compressor Operator; Pump Operator; Welding Machine Operator; Heater Operator.	39.06	27.80 + a
Group 16: Maintenance Engineer.	38.28	27.80 + a
Group 17: Portable Asphalt Plant Operator; Portable Crusher Plant Operator; Portable Concrete Plant Operator; Portable Grout Plant Operator; Portable Water Filtration Plant Operator.	43.46	27.80 + a
Group 18: Power Safety Boat; Vacuum Truck; Zim Mixer; Sweeper; (Minimum for any job requiring a CDL license); Rigger; Signalman.	40.54	27.80 + a

-----PAINTERS (Including Drywall Finishing)-----

10a) Brush and Roller	37.62	24.55
10b) Taping Only/Drywall Finishing	38.37	24.55

10c) Paperhanger and Red Label	38.12	24.55
10e) Blast and Spray	40.62	24.55
11) Plumber (excluding HVAC pipe installation) (Trade License required: P-1,2,6,7,8,9 J-1,2,3,4 SP-1,2)	48.28	35.50
12) Well Digger, Pile Testing Machine	37.26	24.05 + a
13) Roofer (composition)	41.2	22.35
14) Roofer (slate & tile)	41.7	22.35
15) Sheetmetal Worker (Trade License required for HVAC and Ductwork: SM-1,SM-2,SM-3,SM-4,SM-5,SM-6)	41.89	43.22
16) Pipefitter (Including HVAC work) (Trade License required: S-1,2,3,4,5,6,7,8 B-1,2,3,4 D-1,2,3,4, G-1, G-2, G-8 & G-9)	48.28	35.50
-----TRUCK DRIVERS-----		
17a) 2 Axle, Helpers	32.16	30.51 + a
17b) 3 Axle, 2 Axle Ready Mix	32.27	30.51 + a
17c) 3 Axle Ready Mix	32.33	30.51 + a
17d) 4 Axle	32.39	30.51 + a
17e) 4 Axle Ready Mix	32.44	30.51 + a

17f) Heavy Duty Trailer (40 Tons and Over)	34.66	30.51 + a
17g) Specialized Earth Moving Equipment (Other Than Conventional Type on-the-Road Trucks and Semi-Trailers, Including Euclids)	32.44	30.51 + a
17h) Heavy Duty Trailer up to 40 tons	33.39	30.51 + a
17i) Snorkle Truck	32.54	30.51 + a
18) Sprinkler Fitter (Trade License required: F-1,2,3,4)	47.55	32.27 + a
19) Theatrical Stage Journeyman	25.76	7.34

*Welders: Rate for craft to which welding is incidental.*

*\*Note: Hazardous waste removal work receives additional \$1.25 per hour for truck drivers.*

*\*\*Note: Hazardous waste premium \$3.00 per hour over classified rate*

- Crane with 150 ft. boom (including jib) - \$1.50 extra
- Crane with 200 ft. boom (including jib) - \$2.50 extra
- Crane with 250 ft. boom (including jib) - \$5.00 extra
- Crane with 300 ft. boom (including jib) - \$7.00 extra
- Crane with 400 ft. boom (including jib) - \$10.00 extra

All classifications that indicate a percentage of the fringe benefits must be calculated at the percentage rate times the "base hourly rate".

Apprentices duly registered under the Commissioner of Labor's regulations on "Work Training Standards for Apprenticeship and Training Programs" Section 31-51-d-1 to 12, are allowed to be paid the appropriate percentage of the prevailing journeymen hourly base and the full fringe benefit rate, providing the work site ratio shall not be less than one full-time journeyperson instructing and supervising the work of each apprentice in a specific trade.

*The Prevailing wage rates applicable to this project are subject to annual adjustments each July 1st for the duration of the project.*

*Each contractor shall pay the annual adjusted prevailing wage rate that is in effect each July 1st, as posted by the Department of Labor.*

*It is the contractor's responsibility to obtain the annual adjusted prevailing wage rate increases directly from the Department of Labor's website.*

*The annual adjustments will be posted on the Department of Labor's Web page:*

*[www.ct.gov/dol](http://www.ct.gov/dol). For those without internet access, please contact the division listed below.*

*The Department of Labor will continue to issue the initial prevailing wage rate schedule to the Contracting Agency for the project.*

*All subsequent annual adjustments will be posted on our Web Site for contractor access.*

*Contracting Agencies are under no obligation pursuant to State labor law to pay any increase due to the annual adjustment provision.*

*Effective October 1, 2005 - Public Act 05-50: any person performing the work of any mechanic, laborer, or worker shall be paid prevailing wage*

All Person who perform work ON SITE must be paid prevailing wage for the appropriate mechanic, laborer, or worker classification.

All certified payrolls must list the hours worked and wages paid to All Persons who perform work ON SITE regardless of their ownership i.e.: (Owners, Corporate Officers, LLC Members, Independent Contractors, et al)

Reporting and payment of wages is required regardless of any contractual relationship alleged to exist between the contractor and such person.

**~~Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clause (29 CFR 5.5 (a) (1) (ii)).**

Please direct any questions which you may have pertaining to classification of work and payment of prevailing wages to the Wage and Workplace Standards Division, telephone (860)263-6790.

**As of:** October 5, 2023

**As of:** October 5, 2023

**Minimum Rates and Classifications for  
Heavy/Highway Construction**

ID#: 23-53482

**Connecticut Department of Labor  
Wage and Workplace Standards**

By virtue of the authority vested in the Labor Commissioner under provisions of Section 31-53 of the General Statutes of Connecticut, as amended, the following are declared to be the prevailing rates and welfare payments and will apply only where the contract is advertised for bid within 20 days of the date on which the rates are established. Any contractor or subcontractor not obligated by agreement to pay to the welfare and pension fund shall pay this amount to each employee as part of his/her hourly wages.

Project Number:

Project Town: Statewide

State#:

FAP#:

Project: 2023 Offshore Wind Procurement

CLASSIFICATION	Hourly Rate	Benefits
1) Boilermaker	45.21	29.05
1a) Bricklayer, Cement Masons, Cement Finishers, Plasterers, Stone Masons	39.92	34.47
2) Carpenters, Piledrivermen	37.61	27.61
2a) Diver Tenders	37.61	27.61
3) Divers	46.07	27.61
03a) Millwrights	38.02	28.41
4) Painters: (Bridge Construction) Brush, Roller, Blasting (Sand, Water, etc.), Spray	56.25	25.15
4a) Painters: Brush and Roller	37.62	24.55
4b) Painters: Spray Only	40.62	24.55

*As of:* October 5, 2023

4c) Painters: Steel Only	39.62	24.55
4d) Painters: Blast and Spray	40.62	24.55
4e) Painters: Tanks, Tower and Swing	39.62	24.55
4f) Elevated Tanks (60 feet and above)	46.62	24.55
5) Electrician (Trade License required: E-1,2 L-5,6 C-5,6 T-1,2 L-1,2 V-1,2,7,8,9)	43.75	32.47+3% of gross wage
6) Ironworkers: Ornamental, Reinforcing, Structural, and Precast Concrete Erection	42.37	40.02 + a
7) Plumbers (Trade License required: (P-1,2,6,7,8,9 J-1,2,3,4 SP-1,2) and Pipefitters (Including HVAC Work) (Trade License required: S-1,2,3,4,5,6,7,8 B-1,2,3,4 D-1,2,3,4 G-1, G-2, G-8, G-9)	48.28	35.50
----LABORERS---- -		
8) Group 1: General Laborers and concrete specialist	33.5	25.59
8) Group 1a: Acetylene Burners (Hours worked with a torch)	34.5	25.59
9) Group 2: Chain saw operators, fence and guard rail erectors, pneumatic tool operators, powdermen	33.75	25.59
10) Group 3: Pipelayers	34.0	25.59
11) Group 4: Jackhammer/Pavement breaker (handheld); mason tenders (cement/concrete), catch basin builders, asphalt rakers, air track operators, block paver, curb setter and forklift operators	34.0	25.59

12) Group 5: Toxic waste removal (non-mechanical systems)	35.5	25.59
13) Group 6: Blasters	35.25	25.59
Group 7: Asbestos/lead removal, non-mechanical systems (does not include leaded joint pipe)	36.5	25.59
Group 8: Traffic control signalmen	20.1	25.59
Group 9: Hydraulic Drills	34.25	25.59
Group 10: Toxic Waste Removers A or B With PPE	36.5	25.59
----LABORERS (TUNNEL CONSTRUCTION, FREE AIR). Shield Drive and Liner Plate Tunnels in Free Air.----		
13a) Miners, Motormen, Mucking Machine Operators, Nozzle Men, Grout Men, Shaft & Tunnel Steel & Rodmen, Shield & Erector, Arm Operator, Cable Tenders	35.73	25.59 + a
----CLEANING, CONCRETE AND CAULKING TUNNEL----		
14) Concrete Workers, Form Movers, and Strippers	34.76	25.59 + a
15) Form Erectors	35.09	25.59 + a
----ROCK SHAFT LINING, CONCRETE, LINING OF SAME AND TUNNEL IN FREE AIR:----		
16) Brakemen, Trackmen, Tunnel Laborers, Shaft Laborers, Miners Helpers	34.76	25.59 + a

17) Laborers Topside, Cage Tenders, Bellman	34.65	25.59 + a
18) Miners	35.73	25.59 + a
----TUNNELS, CAISSON AND CYLINDER WORK IN COMPRESSED AIR: ----		
18a) Blaster	42.22	25.59 + a
19) Brakemen, Trackmen, Groutman, Laborers, Outside Lock Tender, Gauge Tenders	42.02	25.59 + a
20) Change House Attendants, Powder Watchmen, Top on Iron Bolts	40.04	25.59 + a
21) Mucking Machine Operator, Grout Boss, Track Boss	42.81	25.59 + a
----TRUCK DRIVERS----(*see note below)		
Two Axle Trucks, Helpers	32.16	30.51 + a
Three Axle Trucks; Two Axle Ready Mix	32.27	30.51 + a
Three Axle Ready Mix	32.33	30.51 + a
Four Axle Trucks	32.39	30.51 + a
Four Axle Ready-Mix	32.44	30.51 + a
Heavy Duty Trailer (40 tons and over)	34.66	30.51 + a
Specialized earth moving equipment other than conventional type on-the road trucks and semi-trailer (including Euclids)	32.44	30.51 + a

Heavy Duty Trailer (up to 40 tons)	33.39	30.51 + a
Snorkle Truck	32.54	30.51 + a
<b>----POWER EQUIPMENT OPERATORS----</b>		
Group 1: Crane Handling or Erecting Structural Steel or Stone, Hoisting Engineer (2 drums or over). (Trade License Required)	52.78	27.80 + a
Group 1a: Front End Loader (7 cubic yards or over); Work Boat 26 ft. and over.	48.37	27.80 + a
Group 2: Cranes (100 ton rate capacity and over); Bauer Drill/Caisson. (Trade License Required)	52.41	27.80 + a
Group 2a: Cranes (under 100 ton rated capacity).	51.51	27.80 + a
Group 2b: Excavator over 2 cubic yards; Pile Driver (\$3.00 premium when operator controls hammer).	48.0	27.80 + a
Group 3: Excavator; Gradall; Master Mechanic; Hoisting Engineer (all types of equipment where a drum and cable are used to hoist or drag material regardless of motive power of operation), Rubber Tire Excavator (Drott-1085 or similar); Grader Operator; Bulldozer Fine Grade (slopes, shaping, laser or GPS, etc.). (Trade License Required)	47.1	27.80 + a
Group 4: Trenching Machines; Lighter Derrick; CMI Machine or Similar; Koehring Loader (Skooper).	46.64	27.80 + a
Group 5: Specialty Railroad Equipment; Asphalt Paver; Asphalt Spreader; Asphalt Reclaiming Machine; Line Grinder; Concrete Pumps; Drills with Self Contained Power Units; Boring Machine; Post Hole Digger; Auger; Pounder; Well Digger; Milling Machine (over 24" mandrel)	45.92	27.80 + a

Group 5 continued: Side Boom; Combination Hoe and Loader; Directional Driller.	45.92	27.80 + a
Group 6: Front End Loader (3 up to 7 cubic yards); Bulldozer (rough grade dozer).	45.55	27.80 + a
Group 7: Asphalt Roller; Concrete Saws and Cutters (ride on types); Vermeer Concrete Cutter; Stump Grinder; Scraper; Snooper; Skidder; Milling Machine (24" and under Mandrel)	45.14	27.80 + a
Group 8: Mechanic, Grease Truck Operator, Hydroblaster, Barrier Mover, Power Stone Spreader; Welder; Work Boat under 26 ft.; Transfer Machine.	44.67	27.80 + a
Group 9: Front End Loader (under 3 cubic yards), Skid Steer Loader regardless of attachments (Bobcat or Similar); Fork Lift, Power Chipper; Landscape Equipment (including hydroseeder), Vacuum Excavation Truck and Hydrovac Excavation Truck (27 HG pressure or greater).	44.14	27.80 + a
Group 10: Vibratory Hammer, Ice Machine, Diesel and Air Hammer, etc.	41.69	27.80 + a
Group 11: Conveyor, Earth Roller; Power Pavement Breaker (whiphammer), Robot Demolition Equipment.	41.69	27.80 + a
Group 12: Wellpoint Operator.	41.61	27.80 + a
Group 13: Compressor Battery Operator.	40.92	27.80 + a
Group 14: Elevator Operator; Tow Motor Operator (Solid Tire No Rough Terrain).	39.54	27.80 + a
Group 15: Generator Operator; Compressor Operator; Pump Operator; Welding Machine Operator; Heater Operator.	39.06	27.80 + a
Group 16: Maintenance Engineer.	38.28	27.80 + a

Group 17: Portable Asphalt Plant Operator; Portable Crusher Plant Operator; Portable Concrete Plant Operator., Portable Grout Plant Operator, Portable Water Filtration Plant Operator.	43.46	27.80 + a
Group 18: Power Safety Boat; Vacuum Truck; Zim Mixer; Sweeper; (minimum for any job requiring CDL license).	40.54	27.80 + a

\*\*NOTE: SEE BELOW

----LINE CONSTRUCTION----(Railroad Construction and Maintenance)---

20) Lineman, Cable Splicer, Technician	48.19	6.5% + 22.00
21) Heavy Equipment Operator	42.26	6.5% + 19.88
22) Equipment Operator, Tractor Trailer Driver, Material Men	40.96	6.5% + 19.21
23) Driver Groundmen	26.5	6.5% + 9.00
23a) Truck Driver	40.96	6.5% + 17.76

----LINE CONSTRUCTION----

24) Driver Groundmen	30.92	6.5% + 9.70
25) Groundmen	22.67	6.5% + 6.20
26) Heavy Equipment Operators	37.1	6.5% + 10.70

27) Linemen, Cable Splicers, Dynamite Men

41.22 6.5% + 12.20

28) Material Men, Tractor Trailer Drivers, Equipment Operators

35.04 6.5% + 10.45

*Welders: Rate for craft to which welding is incidental.*

*\*Note: Hazardous waste removal work receives additional \$1.25 per hour for truck drivers.*

*\*\*Note: Hazardous waste premium \$3.00 per hour over classified rate*

Crane with 150 ft. boom (including jib) - \$1.50 extra  
Crane with 200 ft. boom (including jib) - \$2.50 extra  
Crane with 250 ft. boom (including jib) - \$5.00 extra  
Crane with 300 ft. boom (including jib) - \$7.00 extra  
Crane with 400 ft. boom (including jib) - \$10.00 extra

All classifications that indicate a percentage of the fringe benefits must be calculated at the percentage rate times the "base hourly rate".

Apprentices duly registered under the Commissioner of Labor's regulations on "Work Training Standards for Apprenticeship and Training Programs" Section 31-51-d-1 to 12, are allowed to be paid the appropriate percentage of the prevailing journeymen hourly base and the full fringe benefit rate, providing the work site ratio shall not be less than one full-time journeyperson instructing and supervising the work of each apprentice in a specific trade.

--Connecticut General Statute Section 31-55a: Annual Adjustments to wage rates by contractors doing state work

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*The Prevailing wage rates applicable to this project are subject to annual adjustments each July 1st for the duration of the project.*

*Each contractor shall pay the annual adjusted prevailing wage rate that is in effect each July 1st, as posted by the Department of Labor.*

*It is the contractor's responsibility to obtain the annual adjusted prevailing wage rate increases directly from the Department of Labor's website.*

*The annual adjustments will be posted on the Department of Labor's Web page:*

*www.ct.gov/dol. For those without internet access, please contact the division listed below.*

*The Department of Labor will continue to issue the initial prevailing wage rate schedule to the Contracting Agency for the project.*

*All subsequent annual adjustments will be posted on our Web Site for contractor access.*

*Contracting Agencies are under no obligation pursuant to State labor law to pay any increase due to the annual adjustment provision.*

*Effective October 1, 2005 - Public Act 05-50: any person performing the work of any mechanic, laborer, or worker shall be paid prevailing wage*

All Person who perform work ON SITE must be paid prevailing wage for the appropriate mechanic, laborer, or worker classification.

All certified payrolls must list the hours worked and wages paid to All Persons who perform work ON SITE regardless of their ownership i.e.: (Owners, Corporate Officers, LLC Members, Independent Contractors, et. al)

Reporting and payment of wages is required regardless of any contractual relationship alleged to exist between the contractor and such person.

--Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clause (29 CFR 5.5 (a) (1) (ii)).

Please direct any questions which you may have pertaining to classification of work and payment of prevailing wages to the Wage and Workplace Standards Division, telephone (860)263-6790.

## APPENDIX B

### Proposal Submission Instructions

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

- Master Offer Form and Certification, Project and Pricing Data (CPPD form)
- Executive Summary of the Proposal
- Eligibility
- Interconnection and ISO New England
- Generation Site and Interconnection Route Control
- Engineering and Technology; Commercial Access to Equipment
- Operational Parameters
- Energy Resource Plan
- Project Schedule
- Financial/Legal
- Environmental Assessment, Permit Acquisition Plan, Class I Certification, and Environmental and Fisheries Mitigation Plan
- Project Management/Experience
- Operation and Maintenance
- Contributions to Employment and Economic Development and Other Indirect Benefits
- Project Labor
- Exceptions to the Form of Agreement applicable to the Eligible Project

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

#### **1. CERTIFICATION, PROJECT AND PRICING DATA**

The Master Offer Form and Certification, Project and Pricing Data (CPPD) document is a Microsoft Excel workbook that will be provided on the website under 2023 Offshore Wind Procurement.

The Master Offer Form and CPPD must be submitted as a working Microsoft Excel file. Parties may also submit a signed PDF in addition to the working Microsoft Excel file. The Master Offer Form and CPPD document has up to seven parts, listed below. If the Bidder provides information in other sections of its proposal that conflicts with the information provided in the Master Offer Form and CPPD, the Master Offer Form and CPPD shall be considered to contain the governing and binding information for both the evaluation and any resulting contract offer.<sup>9</sup>

Master Offer Form

Part I Proposal Certification and Authorization

Part II Contact Information and Offer Definitions

CPPD Form

### **Part III Offer Summary**

Information includes term(s), pricing type and contingencies.

### **Part IV Project Summary Information**

Information includes Guaranteed Commercial Operation Date or equivalent, size, output, dates, technology, location, Delivery point, capacity factor, Contract Maximum Amount and other technical information.

### **Part V Operational Information**

Information includes hourly energy profiles and other operational data

### **Part VI Pricing Information**

Information includes annual contract energy by contract year and corresponding prices, and RECs by contract year and corresponding prices, and alternative pricing.

### **Part VII ISO-NE Forward Capacity Market**

Information includes details regarding the resource's participation in the ISO-NE Forward Capacity Market.

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

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

## **3. ELIGIBILITY**

3.1 Demonstrate that the Bidder is an Eligible Bidder who is the owner of an Eligible Project or the owner of development rights to an Eligible Project, i.e., the developer of the proposed Eligible Project.

3.2 Indicate whether the proposed Eligible Project is a new facility or Incremental.

3.3 Confirm that the proposed Eligible Project will not receive Connecticut ratepayer-funded incentives or subsidies or any other contract to sell products produced by the Eligible Project to a Connecticut EDC, including but not limited to net metering, pursuant to CGS § 16-243h, virtual net metering, pursuant to CGS § 16-244u, or LREC/ZREC pursuant to CGS §§ 16-244r and 16-244t or any successor programs.

3.4 Confirm that the proposed Eligible Project will not require, or allow for, payment until service has commenced from the Eligible Project pursuant to the terms of the applicable contract.

3.5 For any proposed Eligible Project that has also submitted a proposal in response to any ongoing solicitation for offshore wind in New England issued by an electric distribution company of such state or the state itself, submit a copy of the complete, unredacted proposal submitted by the Eligible Bidder or any affiliate of the Eligible Bidder in response to such procurement.

## **4. INTERCONNECTION AND ISO NEW ENGLAND**

4.1 (i) Describe the amount of capacity, and the capacity commitment period, for which the proposed Eligible Project qualifies under the Forward Capacity Auction Qualification (FCAQ) requirements set forth in Section III.13.1 of Market Rule 1 of ISO-NE's Transmission Markets and Services Tariff; (ii) describe if and how you plan to bid into and obtain a capacity supply obligation in a primary auction ; (iii) describe how you expect to meet those requirements, including but not limited to, satisfaction of and interconnection that is equivalent to the Capacity Capability Interconnection Standard and the remedying of any issues identified in the overlapping impact analysis; (iv) demonstrate that the FCAQ amount is consistent with the amount that would typically be expected for similar projects of the same type, by providing a copy of the ISO-NE FCA Wind Qualification Template spreadsheet populated with the forecast production profile of the Eligible Project.

4.2 Confirm you will: (i) interconnect to the ISO-NE PTF at a level equivalent to the Capacity Capability Interconnection Standard (CCIS); and (ii) 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. An Eligible 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.

4.3 Identify the Delivery point for the proposed Eligible Project. Confirm your understanding that the EDCs are not responsible for: wheeling charges or scheduling to move energy to the ISO-NE PTF; any costs associated with Delivery other than the payment of the bid prices; and any scheduling associated with Delivery.

4.4 Confirm that the proposed Eligible Project will interconnect to the PTF at a level equivalent to the Capacity Capability Interconnection Standard by committing to build all required network upgrades identified in the FCAQ process.

4.5 For the proposed Eligible Project, describe and provide a map of the proposed interconnection that includes the path from the generation site to the ISO-NE Pool Transmission Facilities (PTF), including but not limited to the proposed interconnection point on land and substation identification. Describe how the Bidder plans to gain interconnection site control. Identify any potential issues with the proposed interconnection.

4.6 Submit a plan that clearly demonstrates how Qualified Energy will be delivered from or by the proposed Eligible Project to the Delivery point that is a PTF Node. Detail the status (and conclusions, as available) of interconnection applications and studies.

4.7 Describe the status of the planned interconnection to the grid. Has the Bidder made a valid interconnection request to ISO-NE (provide queue position), the applicable interconnecting transmission or distribution company, or any neighboring control areas? Describe the type of interconnection service requested, i.e., Capacity Network Resource Interconnection Service or Capacity Network Import Interconnection Service. Provide detailed information on how the proposed Eligible Project intends to clear in the primary auction or substitution auction, as applicable. What are the maximum expected interconnection costs for the proposed Eligible Project? For all project sizes, what are the reasonable estimated interconnection costs and what are these estimates based upon?

4.8 Demonstrate how the proposed Eligible Project's energy will be delivered without material constraint or curtailment (i.e., that the project will be fully dispatched without displacing other clean energy generation). Demonstrate that the proposed point of delivery into ISO-NE, along with the proposed interconnection and transmission upgrades, is sufficient to ensure full dispatch of the proposal's output. Include all interconnection and transmission upgrade costs required to ensure full dispatch, including transmission upgrades that may need to occur beyond the point of interconnection.

4.9 Describe the proposed Eligible Project's electrical system performance and its impact to the reliability of the New England Transmission system. Provide the status of any interconnection studies already underway with ISO-NE and/or the transmission owner. Provide a copy of any studies completed to date. Provide a copy of an interconnection agreement, if any, executed by the Bidder with respect to the proposed Eligible Project. If an interconnection agreement has not been executed, please provide the steps that need to be completed before an interconnection agreement can be executed and the associated timeline.

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

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

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

4.13 Confirm an understanding of the following: the Eligible Bidder will be responsible for all costs associated with and/or arising from interconnecting the proposed Eligible Project to the transmission or distribution grid and, if applicable, for ensuring that the Qualified Energy is recognized in ISO-NE's settlement system as being injected into the ISO-NE energy market at a specified and agreed upon pricing node; the EDCs will not assume the responsibility of Lead Market Participant for any project; and GIS certificates representing the Environmental Attributes associated with the Qualified Energy must be delivered into the applicable EDC's NEPOOL GIS account.

4.14 Provide documentation of the deliverability constraint analysis. Provide a description of the findings of the deliverability constraint analysis, including but not limited to a list of thermal overloads, voltage violations identified, and the associated conditions (e.g. generator dispatches, contingencies). Bidders are not required to propose upgrades to resolve the issues identified in this analysis. The analysis can be provided as an individual study or included as a scenario in a broader interconnection study. If the deliverability constraint analysis was performed as a portion of a separate study, explain and provide the study.

## **5. GENERATION SITE AND INTERCONNECTION ROUTE CONTROL**

5.1 Provide evidence (including applicable documentation) of the right to use the proposed Eligible Project's site for the generation project for the entire proposed term of the PPA. Provide copies of executed documents between the Eligible Bidder, or its affiliate, and property owner showing one of the following: that the Eligible Bidder owns the site or has a lease or easement with respect to the site on which the proposed Eligible Project will be located for a term of at least as long as the term of the PPA; or has an unconditional option agreement to purchase or lease the site for such term.

5.2 Provide evidence (including applicable documentation) of the right to use the proposed Eligible Project's site for the interconnection route, including any rights of way needed for electric interconnection for the entire proposed term of the PPA. Provide copies of the BOEM lease and confirmation that the Eligible Bidder owns the site or has a lease or easement with respect to the site of the interconnection route for a term of at least as long as the term of the PPA; or has an unconditional option agreement to purchase or lease the site of the interconnection route for such term.

5.3 Identify any real property rights (e.g., fee-owned parcels, rights-of-way, development rights or easements or leases) that are required for access to the proposed Eligible Project site and/or for interconnection. Describe the status of acquisition of real property rights, any options in place for the exercise of these rights and describe the plan for securing the necessary real property rights, including the proposed timeline. Include these plans and the timeline in the overall project timeline.

5.4 If all property rights have not yet been obtained, describe the authority the developer has to acquire necessary rights of way; the experience of the developer in acquiring rights of way; the status of acquisition of right, title and interest in rights of way, substations and other property or facilities, if any, that are necessary for the proposed Eligible Project; and a detailed explanation of the feasibility of the proposed Eligible Project and potential constraints and challenges.

## **6. ENGINEERING AND TECHNOLOGY; COMMERCIAL ACCESS TO EQUIPMENT**

This section includes questions pertinent to the engineering design and project technology. Bidders shall provide information about the specific technology or equipment including the track record of the technology and equipment and other information as necessary to demonstrate that the technology is viable.

6.1 Provide a reasonable but preliminary engineering plan that includes the following information, which includes demonstrated performance consistent with such preliminary engineering plan, as applicable:

- i. Type of resource technology, if applicable
- ii. Major equipment to be used, including but not limited to the type of base used
- iii. Manufacturer of the equipment
- iv. Status of acquisition of the equipment
- v. Whether the Bidder has a contract for the equipment. If not, describe the Bidder's plan for securing equipment and the status of any pertinent commercial arrangements.
- vi. Equipment vendors selected/considered
- vii. History of equipment operations
- viii. If the equipment manufacturer has not yet been selected, identify in the equipment procurement strategy the factors under consideration for selecting the preferred equipment.

6.2 If the Bidder has not yet selected the major generation equipment for the proposed Eligible Project, provide a list of the key equipment suppliers under consideration, if available.

6.3 Identify the same or similar equipment by the same manufacturer that is presently in commercial operation including the number installed, installed capacity and estimated generation for the past three years.

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

6.5 Indicate if the Bidder has secured its equipment for the proposed Eligible Project. If not, identify the long-lead equipment options and describe the timing for securing equipment.

6.6 Identify how the technology selection has been determined based on current known and future discovered environmental and commercial fisheries impacts in the proposed Eligible Project's site. Identify how the technology selection would be adapted based on future discovered environmental and commercial fisheries impacts in the project site.

## **7. OPERATIONAL PARAMETERS**

7.1 Maintenance Outage Requirements – Specify partial and complete planned outage requirements in weeks or days. Also, list the number of months required for the cycle to repeat (e.g., list time interval of minor and major overhauls, and the duration of overhauls).

7.2 Operating Constraints – Specify all the expected operating constraints and operational restrictions for the proposed Eligible Project (e.g., limits on the number of hours a unit may be operated per year or unit of time), including expected operating constraints to address current known, and any future discovered, environmental and commercial fisheries impacts from the proposed Eligible Project.

7.3 Reliability – Describe how the proposal would provide enhanced electricity reliability within the state of Connecticut, including its impact on transmission constraints.

7.4 Moderation of System Peak Load – Describe how the proposal would contribute to moderating system peak load requirements. Provide the following information:

a) Estimated average output for each summer period (June- September) from 1:00 - 6:00 pm E.P.T.

b) Estimated average output for each winter period (October-May) from 5:00 – 7:00 pm E.P.T.

7.5 Explain in detail the development status of the proposed Eligible Project.

If the proposed Eligible Project is an expansion, repowering, environmental investment or other modification of an existing facility, describe the project in detail, the total cost and cost on a \$/MW basis, specifying the existing project and the proposed expansion, repowering or other modification. Indicate any incremental capacity.

## **8. ENERGY RESOURCE PLAN**

8.1 Provide an energy resource plan for the proposed Eligible Project, including supporting documentation. The energy resource profile information should be consistent with the type of technology/resource option proposed and the term proposed.

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

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

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

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

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

## **9. PROJECT SCHEDULE**

9.1 Provide a complete critical path schedule for the proposed Eligible Project from the notice of selection of the project for contract consideration to the start of commercial operations and any documentation supporting such critical path schedule. For each project element, list the projected start and end date.

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

## **10. FINANCIAL/LEGAL**

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

10.1 Provide a description of the business entity structure of the Bidder's organization from a financial and legal perspective, including any general and limited partners, officers, directors, managers, members, and shareholders, involvement of any subsidiaries supporting the proposed Eligible Project, and the providers of equity and debt during project development. Provide an organization chart showing the relationship between the equity participants and an explanation of the relationships. For jointly owned facilities, identify all owners and their respective interests, and document the Bidder's right to submit a binding proposal. For EDC or EDC affiliate bids, the Bidders shall specify the transaction and/or corporate structure that will allow the contracts to be executed with the EDCs.

10.2 Provide a description of the financing plan for the proposed Eligible Project, including construction and term financing. The financing plan should address the following:

- i. Who will finance the proposed Eligible Project and how it will be financed
- ii. The proposed Eligible Project's projected financial structure over the term of the contract

- iii. Expected sources of debt and equity financing
- iv. Estimated construction costs, including interconnection costs
- v. The projected capital structure over the term of the contract
- vi. Describe any agreements entered into with respect to equity ownership in the proposed Eligible Project and any other financing arrangement.
- vii. Describe how any future mitigation funds to address environmental and/or commercial fisheries impacts, and decommissioning funds will be financed.

In addition, the financing plan should address the status of the above activities as well as the financing of development and permitting costs.

10.3 Provide documentation illustrating the experience of the proposed Eligible Project's sponsor in securing financing for projects of similar size and technology. For each project previously financed provide the following information:

- i. Project name and location
- ii. Project type and size
- iii. Date of construction and permanent financing
- iv. Form and amount of debt and equity financing

10.4 Provide evidence that the Bidder has the financial resources and financial strength to complete and operate the proposed Eligible Project as planned.

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

10.6 Demonstrate the ability of the Bidder (and/or the ability of its credit support provider) to provide the required security, including its plan for doing so.

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

10.8 Describe the role and the amount of the Federal Production Tax Credit or Investment Tax Credit, or other federal grants, loans, incentives, or subsidies on the financing of the proposed Eligible Project. Describe how the benefit of any future favorable tax treatment or federal grants, loans, incentives, or subsidies would be shared with Connecticut ratepayers.

10.9 Provide the capital structure including share of debt, tax equity, and other equity, weighted average cost of capital, and debt financing rate assumed in the bid price, and specify whether the bid assumes receipt of financing from the U.S. Department of Energy's Loan Program Office (LPO) for any portion of the project. If the bid assumes debt financing from sources other than LPO, the Bidder must

commit, if selected, to make reasonable best efforts prior to the project's financial close to determine whether lower cost financing options for the project's anticipated debt are available from LPO that would reduce the total project cost and must describe how the benefit of such potential LPO financing savings would be shared with Connecticut ratepayers.

10.10 Disclose any pending (currently or in the past five years) or threatened litigation or disputes related to projects developed, owned or managed by Bidder, including any general and limited partners, officers, directors, managers, members, shareholders, and subsidiaries, or any of its affiliates in the United States, or related to any energy product sale agreement.

10.11 Specify the expected operating life of the proposed Eligible Project. If the operating life of the proposed Eligible Project exceeds the length of the contract term, describe how the proposed Eligible Project will participate in ISO-NE markets after the contract term expires.

10.12 Provide documentation of financing, or a commitment of financing, and state whether the financing is contingent on obtaining a long-term agreement, such as one that would be obtained if the Bidder's proposal is accepted. If financing has not been obtained, explain how obtaining a long-term agreement as proposed will help you in obtaining financing for the proposed Eligible Project or in obtaining more favorable terms for the financing of the proposed Eligible Project.

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

10.14 Provide a description of Bidder and all affiliated entities and joint ventures transacting business in the energy sector.

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

10.16 Briefly describe any known conflicts of interest between Bidder or an affiliate of Bidder and any entity on the Evaluation Team, or any affiliate of the foregoing.

10.17 Describe any litigation, disputes, claims or complaints involving the Bidder or an affiliate of Bidder, against any entity on the Evaluation Team or any affiliate of any entity of the foregoing.

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

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

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

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

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

10.22 If the Bidder is redacting any information as confidential, provide an affidavit detailing the legal basis for the Bidder's confidentiality claim, describing what efforts have been taken to keep the information confidential, and providing whether the information sought to be protected has an independent economic value by not being readily known in the industry.

10.23 Provide a copy of a certified letter providing written permission to ISO-NE for it to share all information from all entities associated with the Bidders, including but not limited to Elective Transmission Upgrades or related ISO-NE interconnection queue position.

10.24 Demonstrate the ability of the Bidder (and/or the ability of its credit support provider) to provide the funds for any required decommissioning.

## **11. ENVIRONMENTAL ASSESSMENT, PERMIT ACQUISITION PLAN, CLASS I CERTIFICATION, AND ENVIRONMENTAL AND FISHERIES MITIGATION PLAN**

This section addresses environmental and other regulatory issues associated with project siting, development, and operations. Note that for any project that requires a permit, license, or environmental review over which DEEP has jurisdiction, the selection of a bid pursuant to this RFP in no way confers preferential treatment, prejudges, or otherwise affects the integrity of DEEP's determination with respect to such permit, license, or environmental review.

11.1 Provide a viable plan to acquire all permits. Provide a list of all the permits, licenses, and environmental assessments and/or environmental impact statements required. If a Bidder has secured any permit or has applied for a permit, please identify in the response.

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

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

11.2 Provide the anticipated timeline for seeking and receiving the required permits, licenses, and environmental assessments and any documentation supporting such anticipated timeline. Include a project approval assessment that describes, in narrative form, each segment of the process, the required permit or approval, the status of the request or application and the basis for projection of success by the

milestone date. All requirements should be included on the project schedule in Section 9. Bidders should reference DEEP's environmental permitting factsheet for offshore wind developers.<sup>15</sup>

11.3 Provide documentation demonstrating that the proposed Eligible Project will be qualified as a Class I renewable energy source.

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

11.5 Provide information on a decommissioning plan that includes a commitment to the process outlined by BOEM for federal waters and addresses decommissioning, including funding for such decommissioning, for areas of the proposed Eligible Project outside of Federal waters.

11.6 Provide the following information regarding in-water activities:

i. For proposals that include activities within LIS, include a detailed description of how the proposed Eligible Project would be consistent with the goals and policies of the Connecticut Coastal Management Act set forth in CGS § 22a-92, and the LIS Blue Plan established under CGS § 25-157t, and consistency with the New York Long Island Sound Coastal Management Program. Such detailed description shall include a discussion and analysis of the potential impacts to natural resources, ecosystems, and traditional or existing water dependent uses, including but not limited to navigation, recreation, fishing and aquaculture, and shall reference the applicable information and data compiled by the New York Geographic Information Gateway, the Northeast Ocean Data Portal, the Mid-Atlantic Ocean Data Portal, Long Island Sound datasets hosted by the Columbia University Marine Geoscience Data System, CTECO Aquaculture Mapping Atlas, the Blue Plan and Blue Plan Map Viewer, and DEEP.

ii. For proposals that include in-water activities outside of LIS, include a detailed description of how the proposed Eligible Project would be consistent with all applicable marine spatial plans, including but not limited to the New York Ocean Action Plan, the Rhode Island Ocean SAMP, the Massachusetts Ocean Plan, and the Northeast Regional Ocean Plan. Such detailed description shall include a discussion and analysis of the potential impacts to natural resources, ecosystems, and traditional or existing water dependent uses, including but not limited to navigation, recreation, fishing and aquaculture, and shall reference the information and data compiled pursuant to applicable marine spatial plans.

11.7 Provide an Adaptive Plan that:

i. Identifies Stakeholders and Wildlife and Ecological Resources.

ii. Includes a general plan for preconstruction and assessment of risks to Stakeholders including a commitment to adhere to current BOEM NEPA requirements related to a Renewable Energy Site Assessment Plan; a Renewable Energy Construction and Operations Plan; and Cumulative Impacts

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<sup>15</sup>[https://portal.ct.gov/-/media/DEEP/Permits\\_and\\_Licenses/Factsheets\\_General/Siting-Wind-Permitting-Fact-Sheet.pdf](https://portal.ct.gov/-/media/DEEP/Permits_and_Licenses/Factsheets_General/Siting-Wind-Permitting-Fact-Sheet.pdf)

as outlined in National Environmental Policy Act Documentation for Impact-Producing Factors in the Offshore Wind Cumulative Impacts Scenario of the North Atlantic Continental Shelf.<sup>16</sup>

iii. Includes a plan for ongoing communication with Stakeholders with a reporting schedule specific to the phases of the proposed Eligible Project, including pre-construction planning and siting, construction, operation, transition, which may include retrofitting, adapting, or removing facilities, and decommissioning, and sub-phases as necessary.

iv. Includes a plan for monitoring, avoiding, and minimizing risks to Stakeholders, Wildlife and Ecological Resources, informed by the latest advancements in science and technology. Such plan shall include a commitment by the Bidder to provide financial and technical support to regional monitoring of wildlife and of fish and invertebrates that support economically important fisheries, including through a minimum contribution of \$5,000 per MW of capacity offered. These regional monitoring funds must be:

a. In addition to any other funds required by a BOEM-approved Construction and Operations Plan or by another state (e.g., funds required for another state's potential portion of a multi-state selection cannot be used to also satisfy this requirement for the Connecticut portion of such a selection);

b. Used to support regional monitoring of wildlife and of fish and invertebrates that support economically important fisheries; and

c. Provided by the bidder to the Regional Wildlife Science Collaborative for Offshore Wind or the Responsible Offshore Science Alliance, or to another entity or entities identified by the Bidder and approved by DEEP, no later than 30 days after the project's financial close to administer and distribute for the purposes in subsection b. immediately above. If the regional monitoring funds are administered by the Bidder (i.e., as an alternative approved by DEEP), any remaining monitoring funds that have not been spent within 10 years of the project's commercial operation date shall be returned consistent with Conn. Gen. Stat. section 16a-3n through a determination by PURA.

v. Identifies and details any fund established for net benefit to Wildlife and Ecological Resources, which shall be based primarily on implementation of conservation offsets prior to or during the actual measurement of effects of the project. Bidder must commit to provide net benefit funds of at least \$5,000 per MW of capacity. These required net benefit funds must be:

a. In addition to any other funds required by a BOEM-approved Construction and Operations Plan or by another state (e.g., funds required for another state's potential portion of a multi-state selection cannot be used to also satisfy this requirement for the Connecticut portion of such a selection);

b. Used to enhance populations or towards research to identify effective enhancement strategies for such populations that are expected to be impacted by the project, as

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<sup>16</sup> [Guidelines for Information Requirements for a Renewable Energy Site Assessment Plan \(SAP\); Information Guidelines for a Renewable Energy Construction and Operations Plan \(COP\); National Environmental Policy Act Documentation for Impact-Producing Factors in the Offshore Wind Cumulative Impacts Scenario on the North Atlantic Outer Continental Shelf](#)

identified in the Environmental and Fisheries Mitigation Plan or the federal Environmental Impact Statement, ; and

c. Provided by the Bidder to the Regional Wildlife Science Collaborative for Offshore Wind no later than 30 days after the project's financial close to administer and distribute for the purposes in subsection b. immediately above.

vi. Identifies and details any fund established for mitigation of lost commercial fishing revenue for Connecticut commercial fishing licensees as defined and calculated by the methodology outlined in BOEM's Draft Guidelines for Mitigating Impacts to Commercial and Recreational Fisheries on the Outer Continental Shelf Pursuant to 30 CFR Part 585 dated June 23, 2022<sup>17</sup> or BOEM's final guidelines once adopted (collectively, BOEM Fisheries Mitigation Guidance). Bidder must commit to follow the BOEM Fisheries Mitigation Guidance. Bidder must also commit to provide fisheries mitigation funding of at least \$5,000 per MW of capacity offered. These required mitigation funds must be:

a. In addition to any funding required by the BOEM Fisheries Mitigation Guidance, a BOEM-approved Construction and Operations Plan, or another state (e.g., funds required for another state's potential portion of a multi-state selection cannot be used to also satisfy this requirement for the Connecticut portion of such a selection);

b. Used to fund offset of revenue losses suffered by Connecticut commercial fishing licensees during the project operational phase (i.e., post-construction phase); and

c. Provided by the Bidder to a regional fisheries mitigation fund administrator specified by DEEP, or to an alternate entity or entities identified by the Bidder and approved by DEEP if a regional fisheries mitigation fund administrator has not been established by the time the Bidder provides the mitigation funds, no later than 30 days after the project's financial close to administer and distribute for the purpose in subsection b. immediately above. If the mitigation funds are administered by the Bidder (i.e., as an alternative approved by DEEP), any remaining mitigation funds that have not been spent within 10 years of the project's commercial operation date shall be returned consistent with Conn. Gen. Stat. section 16a-3n through a determination by PURA.

vii. Identifies and details any resiliency fund established to assist the commercial fishing industry with adapting to co-exist with offshore wind development (e.g., retrofitting vessels with upgraded navigational electronics, transitioning vessels from mobile to fixed gears, providing training to fishing industry participants to facilitate work within the offshore wind industry).

11.8 Provide a Specific Hazard Assessment that addresses the following risks. For each risk identified below, explain the basis for any technology or other construction choice proposed, including but not limited to construction timelines, turbine orientation, turbine base, etc., and how such choice will minimize any risk identified, as applicable. In addition, provide any contingency plans for technology or construction choices that will address any future discovered risks in these areas.

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<sup>17</sup> Guidelines for Mitigating Impacts to Commercial and Recreational Fisheries on the Outer Continental Shelf Pursuant to 30 CFR Part 585 (boem.gov), https://www.boem.gov/sites/default/files/documents/renewable-energy/DRAFT%20Fisheries%20Mitigation%20Guidance%2006232022\_0.pdf.

i. Risk to Commercial Fisheries:

- A. Assessment: Bidders should describe how they will avoid, minimize or mitigate impacts on the National Marine Fisheries Service (“NMFS”) surveys.
- B. Loss of Industry: Bidders should use the BOEM Fisheries Mitigation Guidance to create a plan to mitigate negative impacts to commercial fisheries within the development area.
- C. Bidders should provide a plan to maximize the value of in-water structures as fish habitat.

ii. Risk of Commercial Fisheries Collision:

- A. Provide details on the location of the proposed Eligible Project’s site, proposed perimeter, and orientation of turbine array, locations of and spacing between individual turbines, and the total acreage for the proposed Eligible Project. Include an assessment of the pros and cons of the proposed turbine array configuration, and a demonstration that proposed site design allows for reasonable flexibility in the site layout.
- B. Describe plans to collaborate with commercial fishermen, mariners, and the US Coast Guard to assess potential navigational hazards of planned turbine arrays and transit lane configurations under various environmental conditions and sea states.
- C. Describe technologies that will be employed to minimize the risk of collision for fisheries. Describe mitigation measures and policies for no-fault collisions.

iii. Risk of Sound and Collision to Marine Mammals and Sea Turtles:

- A. Describe a plan for inventory and monitoring to determine target species with highest risk of negative impact from project activities.
- B. Describe how the proposed Eligible Project will avoid collision risks to the marine animals at the site at most risk of disproportionate negative impact. Include reference to the National Oceanic and Atmospheric Administration (NOAA)’s proposed rule on Amendments to the North Atlantic Right Whale Vessel Strike Reduction Rule,<sup>18</sup> or NOAA’s final rule if promulgated by the time of the bid.
- C. Describe the foundation type or types and installation methods, including any commitments to use quiet foundation types (i.e., foundation types and installation methods that will not introduce impulsive noise to the underwater environment) for all or as much of the project as feasible. Applications that provide firm commitments to use quiet foundation types, including penalties for failing to meet those firm commitments, will be given preference. Any use of foundation types that introduce impulsive noise during installation must provide (1) a detailed rationale for why a foundation type other than a quiet foundation is proposed that includes, but is not limited to, descriptions of any applicable physical, engineering, permitting, economic, and/or supply chain barriers to using quiet foundation types within the project area, and (2) a detailed description of

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<sup>18</sup> 87 FR 46921

other technologies or installation methods proposed to mitigate the project's introduction of impulsive noise to the underwater environment.

D. Include a plan to employ Best Management Practices to avoid exposure of marine mammals to sound at levels that will cause injury or behavioral changes as informed by the latest acoustical guidance, including but not limited to seasonal and temporal restrictions for geophysical surveys and construction activities, noise reduction and attenuation measures, clearance zones with appropriate dB requirements to be met in accordance with appropriate clearance zones, and monitoring to enforce clearance zones and work restrictions. Include reference to BOEM's Nationwide Recommendations for Impact Pile Driving Sound Exposure Modeling and Sound Field Measurement for Offshore Wind Construction and Operations Plans<sup>19</sup> and to the International Maritime Organization's (IMO) Guidelines Revised Guidelines for the Reduction of Underwater Radiated Noise from Shipping to Address Adverse Impacts on Marine Life.<sup>20</sup>

E. Include a plan to minimize and mitigate risk to sea turtles. Specifically address the increased risk of collision and sound that may occur with required time of year restrictions applied to protect marine mammals.

iv. Risk for Birds and Bats:

A. Describe a plan for inventory and monitoring for birds and bats to avoid and minimize risk to species that will be disproportionately impacted by the proposed Eligible Project, including but not limited to addressing Connecticut state-listed species (RCSA Sec. 26-306), nocturnally migrating species, and discerning the height of birds and bats moving through the lease area to determine the likelihood of collision across seasons and during the full scale of weather conditions. Inventory and monitoring should employ multiple monitoring techniques and be consistent and coordinated with other offshore wind development and regional efforts.

B. Describe avoidance measures the Bidder will employ to reduce collision risk to birds and bats. Specifically address how the project may contribute to collision mitigation, including any collision detection or avoidance technologies or practices.

11.9 Provide a Data Reference and Sharing Plan that identifies:

i. Existing regional regulatory entities, science organizations, commercial fishermen, commercial fishing organizations, other offshore wind developers, and universities with whom they will collaborate for long term monitoring and research. Bidders should include any level of financial commitment that will be appropriated towards regional efforts by these entities to promote

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<sup>19</sup> <https://www.boem.gov/sites/default/files/documents/renewable-energy/state-activities/Nationwide%20Recommendations%20for%20Impact%20Pile%20Driving%20Sound%20Exposure%20Modeling%20and%20Sound%20Field%20Measurement.pdf>.

<sup>20</sup> IMO, *Revised Guidelines for the Reduction of Underwater Radiated Noise from Shipping to Address Adverse Impacts on Marine Life*, MEPC.1/Circ.906 (August 22, 2023), [https://wwwcdn.imo.org/localresources/en/OurWork/PartnershipsProjects/Documents/GloNoise-Library/MEPC.1-Circ.906%20-Revised%20Guidelines%20For%20The%20Reduction%20Of%20Underwater%20Radiated%20Noise%20From%20Shipping%20to%20address%20Adverse%20Impacts%20on%20Marine%20Life%20\(22%20August%202023\).pdf](https://wwwcdn.imo.org/localresources/en/OurWork/PartnershipsProjects/Documents/GloNoise-Library/MEPC.1-Circ.906%20-Revised%20Guidelines%20For%20The%20Reduction%20Of%20Underwater%20Radiated%20Noise%20From%20Shipping%20to%20address%20Adverse%20Impacts%20on%20Marine%20Life%20(22%20August%202023).pdf).

research, monitoring, and Best Management Practices to protect Stakeholders, Wildlife and Ecological Resources from risks relating to offshore wind development; and

ii. A plan to store and share project specific inventory and monitoring data that relates to Stakeholders and Wildlife and Ecological Resources, and the impacts from project activities to these entities, as soon after collection as is practicable, but not more than 2 years, after QA/QC. Data that the Bidder deems proprietary or confidential business information does not need to be included in this plan.

11.10 Detail any additional measures for environmental and/or fisheries impacts avoidance, minimization, and/or mitigation recommended by the Commission on Environmental Standards<sup>21</sup> that are included with the bid but have not been identified in response to another question.

11.11 Provide a site plan including a scale map of the site at the anticipated electric interconnection point, and the relationship of the interconnection site to other local infrastructure, including transmission facilities, roadways, and public water supply sources. In addition to providing the required map, provide a site layout plan that illustrates the location of all major equipment and facilities on the interconnection site.

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

11.13 Provide a description of the proposed Eligible Project's site and the surrounding area and interconnection route, including but not limited to a description of the local zoning, flood plain, topography, existing land use, and setting (e.g., woodlands, grasslands, agriculture).

11.14 Indicate whether the proposed Eligible Project will generate any waste during operation and identify what waste will be generated and the plan to manage such waste. Include efforts to reuse and recycle materials.

11.15 Include a summary of environmental compliance history for the Bidder, including any general and limited partners, officers, directors, managers, members, shareholders, and subsidiaries, using the form available at: [http://www.ct.gov/deep/lib/deep/Permits\\_and\\_Licenses/Common\\_Forms/compliance\\_form.pdf](http://www.ct.gov/deep/lib/deep/Permits_and_Licenses/Common_Forms/compliance_form.pdf)

11.16 Include a summary of any disputes relating to the environmental compliance of the Bidder (including any general and limited partners, officers, directors, managers, members, shareholders, and subsidiaries), including the environmental compliance of projects owned or managed by Bidder or any of its affiliates in the United States or related to any energy product sale agreement.

11.17 Provide documentation identifying the level of public support for the proposed Eligible Project including letters from public officials, newspaper articles, etc. Include information on specific localized support and/or opposition to the proposed Eligible Project of which the Bidder is aware. Provide copies of any agreements with communities and other constituencies impacted by the proposed Eligible Project,

<sup>21</sup> Commission on Environmental Standards, Final Recommendations (July 26, 2023), [https://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/a8521dbefbcfea33852589f8006a3d5e/\\$FILE/Final%20CES%202023%20report%207-26-23.pdf](https://www.dpuc.state.ct.us/DEEPEnergy.nsf/c6c6d525f7cdd1168525797d0047c5bf/a8521dbefbcfea33852589f8006a3d5e/$FILE/Final%20CES%202023%20report%207-26-23.pdf).

and a plan for community outreach activities, and discuss the status of that plan. Provide documentation of any outreach to or interaction with Stakeholders such as environmental organizations or commercial fishermen.

11.18 Provide a copy of a certified letter notifying the environmental agency or agencies in the relevant state or states that the Bidder is proposing to construct facilities within their jurisdiction as part of its response to this Connecticut RFP. If the Bidder has more detailed information demonstrating interaction with the appropriate agency or agencies, provide such information.

11.19 Describe any other relevant stakeholders and/or affected species not otherwise identified in the questions above. Describe any potential risks to such stakeholders and/or species, a plan to engage with any such stakeholders, and a plan to avoid, minimize or mitigate impacts of any risks identified.

## **12. PROJECT MANAGEMENT/EXPERIENCE**

12.1 Provide an organizational chart that lists the participants to the proposed Eligible Project and identifies the corporate structure, including general and limited partners.

12.2 Provide statements that list the specific experience of the Bidder and each of the participants to the proposed Eligible Project (including, when applicable, the Bidder, partners, Engineering Procurement and Construction (EPC) contractor and proposed contractors), in developing, financing, owning, and operating generating facilities, other projects of similar type, size and technology, and any evidence that the project participants have worked jointly on other projects.

12.3 Provide a management chart that lists the key personnel dedicated to the proposed Eligible Project and provide resumes of the key personnel. Key personnel of the Bidder's development team having substantial project management responsibilities must have:

- i. Successfully developed and/or operated one or more projects of similar size or complexity or requiring similar skill sets; and
- ii. Experience in financing power generation projects (or have the financial means to finance the project on the Bidder's balance sheet).

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

- i. Name of the project
- ii. Location of the project
- iii. Project type, size and technology
- iv. Commercial operation date
- v. Estimated and actual capacity factor of the project for the past three years
- vi. Availability factor of the project for the past three years
- vii. References, including the names and current addresses and telephone numbers of individuals to contact for each reference.

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

- i. Construction Period Lender, if any
- ii. Operating Period Lender and/or Tax Equity Provider, as applicable
- iii. Financial Advisor
- iv. Environmental Consultant
- v. Facility Operator and Manager
- vi. Owner's Engineer
- vii. EPC Contractor (if selected)
- viii. Transmission Consultant
- ix. Legal Counsel

12.6 Provide details of the Bidder's experience in ISO-NE Markets. With regard to Bidder's experience with ISO-NE markets, please indicate the entity that will assume the duties of Lead Market Participant for the proposed Eligible Project. Please provide a summary of the proposed Lead Market Participant's experience with each of the ISO-NE markets (i.e., Day Ahead and Real-Time Energy Markets, Forward Capacity Market, etc.).

12.7 Provide details on any experience in complex permitting processes and/or stakeholder engagement processes.

12.8 Provide details of any experience of the Bidder or any of its past or present affiliates that has either (1) been involved with a complex development project that failed, was withdrawn, or otherwise did not proceed, or (2) defaulted under, or agreed to terminate a contract for a complex development project. Such details include, but are not limited to, the jurisdiction, when the project was selected for development, when the project failed, was withdrawn, or otherwise did not proceed, or was defaulted under or agreed to terminate such contract and the reason for such failure, withdrawal, or termination.

### **13. OPERATION AND MAINTENANCE**

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

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

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

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

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

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

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

14.1 Describe the extent to which goods and services procured for the proposed Eligible Project's development, construction, and maintenance will be sourced within (a) Connecticut, (b) New England (i.e., all states between Connecticut and Maine), and (c) the United States, outside of New England. In this response, provide (i) a percentage out of total dollar amount invested in the proposed Eligible Project, for (a-c), (ii) information regarding the location where these goods and services will be procured, including whether they will be within Connecticut's distressed municipalities or other historically disadvantaged communities, and (iii) the firmness of each of your commitments to the source of goods and services procured. Include a clear outline of goods and services to be procured, presented in designated periods over the lifespan of the proposed project, including: 1) the project development period; 2) project construction period; and 3) project maintenance/operation period. The project maintenance/operation period should be presented in five-year increments (i.e., project maintenance/operations years 1-5, 6-10, 11-15, etc.).

14.2 Provide an estimate of the number of jobs to be directly created in (a) Connecticut, (b) New England, and (c) the United States, outside of New England, during the following project phases: (1) development; (2) construction; and (3) maintenance/operations. The project maintenance/operation period should be presented in five-year increments (i.e., project maintenance/operations years 1-5, 6-10, 11-15, etc.). For each job identified, include a general description of the type of job created, estimated annual compensation, estimated credentials and certifications necessary to perform each job type created, estimated duration of such job, the employer(s) for such jobs, and the location. Treat the development, construction, and maintenance/operation periods separately in your response. Identify if any such jobs will be in Connecticut's distressed communities or other historically disadvantaged communities. All information provided must be measurable, and if econometric modeling/projections are utilized, please include the full document which gives the rationale for such models/projections. Include a clear outline of direct job creation commitments, presented in five-year periods, over the lifespan of the proposed project (i.e., years 1-5, 6-10, 11-15, etc.).

14.3 Provide the same information as provided in response to question 14.2 above but with respect to jobs in Connecticut that would be indirectly created as a result of the proposed Eligible Project. Include a clear outline of indirect job creation commitments, presented in each of the three project phases outlined above.

14.4 To the extent not already specified elsewhere in your response, please address the factors listed in Section 2.3.2 and describe any benefits or impacts for Connecticut that are associated with the proposed Eligible Project, including but not limited to investment in supply chain capabilities, infrastructure improvements, business development supports, community education and engagement, and research and development. Include a clear outline of benefit commitments or other impacts,

presented in designated periods, including: 1) the project development period; 2) project construction period; and 3) project maintenance/operation period. The project maintenance/operation period should be presented in five-year increments (i.e., project maintenance/operations years 1-5, 6-10, 11-15, etc.).

14.5 Describe the economic benefits which will accrue to historically marginalized or disadvantaged groups in Connecticut. Be as specific as possible. Include a clear outline of the benefits, presented in designated periods, including: 1) the project development period; 2) project construction period; and 3) project maintenance/operation period. The project maintenance/operation period should be presented in five-year increments (i.e., project maintenance/operations years 1-5, 6-10, 11-15, etc.).

14.6 Per Section 2.3.2, should a selected Bidder fail to meet its direct investment and/or direct job creation commitments at the end of any designated period, the Bidder must commit at a minimum to both funding the difference between the commitment value and the actual value, plus providing an additional ten percent(10%) of the missed direct investment and direct job creation commitment value for the period, to be deposited into a DECD-controlled offshore wind investment fund (see Section 2.3.2 for an example). Final terms and conditions will be negotiated between DECD and the selected Bidder. Describe what additional mechanisms, if any, you propose to put in place to guarantee or further backstop the economic benefits described in your above answers.

14.7 Describe any tracking or reporting mechanisms, such as quarterly and/or annual report(s) of milestones achieved and jobs created, that Bidder proposes to provide during the designated periods described above to verify the contributions to previous questions within this section.

14.8 To the extent not already specified elsewhere in your response, describe plans to (1) provide opportunities for Connecticut residents, including but not limited to (a) those within distressed municipalities or other historically disadvantaged communities and (b) members of fishing communities, to be employed by and participate in project development, installation, monitoring, or other areas of the project, including any training initiatives and specific outreach to Connecticut residents that will be conducted by the Bidder; and (2) provide opportunities for Connecticut companies to learn about business opportunities related to the project, such as opportunities to participate in the project's supply chain, including through specific outreach to Connecticut businesses through supplier workshops or other forums that will be conducted by the Bidder. Responses must indicate the opportunities that will be available within Connecticut's distressed municipalities or other historically disadvantaged communities.

14.9 Provide documentation of community outreach and engagement regarding the Bid conducted to date. A passing response must include at least two of the following:

- i. Copies of any agreements with communities and other constituencies in the relevant community that may be impacted by the proposed Eligible Project;
- ii. Emails, letters, and/or other communications with or directed to local municipal officials describing the Bid, projected timelines, and ways in which the proposed Eligible Project would affect the local community, and soliciting feedback;
- iii. Emails, letters, and/or other communications with or directed to municipality residents and/or community organizations (including but not limited to environmental non-profits, social services non-profits, environmental justice organizations, or other organizations that serve the local community) describing the Bid, projected timelines, and ways in which the proposed Eligible Project would affect the local community, and soliciting feedback; and/or
- iv. Time of, date of, and materials from any in-person or virtual meeting held with local officials, property owners, abutters, community organizations, environmental justice organizations,

and/or other community residents to educate them about and receive feedback about the proposed Eligible Project.

14.10 Describe plans for continued community outreach and engagement should the bid be successful.

14.11 Describe how the Bidder is addressing and advancing issues of Diversity, Equity, and Inclusion (DEI) with its mission, professional development, staffing, and/or Connecticut based recruiting efforts. If the Bidder has a social impact statement, submit a copy with this bid.

14.12 The Bidder shall provide supplemental information, including an economic impact analysis of U.S. federal funding anticipated to be utilized in the execution of the proposed Eligible Project in order to ensure that Connecticut is receiving the maximum benefit under this procurement from federal programs aimed at fostering the development of offshore wind. Please provide the following economic metrics as they relate to the anticipated utilization of any federal funding made available to the proposed Eligible Project under the Inflation Reduction Act and the Infrastructure Investment and Jobs Act:

- 1) The forecasted gross value of such federal funds and/or credits to the proposed Eligible Project and on its budget;
- 2) The forecasted gross value of such federal funds and/or credits obtained by the proposed Eligible Project to entities located within the Connecticut labor market and/or supply chain for offshore wind identified in sections 14.1, 14.2, 14.3, and 14.4;
- 3) The forecasted net impact of such federal funds on the final bid price; and
- 4) The utilization and/or value of any anticipated bonus credits such as Prevailing Wage, Apprenticeship Requirements, Tribal Land, Energy Communities, Low Income Communities and Domestic Content.

At a minimum, this analysis should be inclusive of the following funding mechanisms:

- a)-Advanced Manufacturing Tax Credits under IRS Code 45X;
- b)-Production Tax Credits for Energy From Renewables under IRS Code 45Y;
- c)-Clean Electricity Investment Tax Credits under IRS Code 48E; and
- d) Grid Resilience and Innovation Partnerships (GRIP) Program (all three funding mechanisms).

## **15. PROJECT LABOR**

15.1 Demonstrate how the Bidder will have contract commitments to pay not less than the prevailing wage, as described in CGS § 31-53, for laborers, workmen and mechanics performing construction activities within the United States, including federal waters, with respect to the proposed Eligible Project, including, but not limited to, the assembly, staging, installation, erection, and placement of the Project and its electrical interconnection as well as those construction activities related to start-up and commissioning of the proposed Eligible Project, whether through long-term or short-term employment.

15.2 Describe how the Eligible Bidder will engage in good faith negotiations for a project labor agreement addressing, at a minimum, the following topics:

- i. Applicability of the project labor agreement
- ii. Appropriate union recognition
- iii. Comprehensive labor harmony provisions
- iv. Resolution of workplace disputes
- v. Management rights
- vi. Use of apprenticeships
- vii. Worksite access and conduct

15.3 Describe any plans to use skilled labor, including, but not limited to, for any construction and manufacturing components of the proposal including any outreach, hiring and referral systems, or any combination thereof, that are affiliated with an apprenticeship training program registered with the Connecticut State Apprenticeship Council established pursuant to CGS § 31-22n.

**16. EXCEPTIONS TO THE FORM OF AGREEMENT**

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

Bidders are discouraged from proposing material changes to the Form of Agreement, and the EDCs will not accept changes that impose additional risks or costs on the EDCs.

## **APPENDIX C**

### **Form of Class I Power Purchase Agreement**

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**DRAFT\***

**OFFSHORE WIND GENERATION UNIT**

**POWER PURCHASE AGREEMENT**

**BETWEEN**

**[THE CONNECTICUT LIGHT AND POWER COMPANY  
d/b/a EVERSOURCE ENERGY]**

**[THE UNITED ILLUMINATING COMPANY]**

**[Buyer]**

**AND**

**[\_\_\_\_\_]  
[Seller]**

**As of [\_\_\_\_\_], 202\_**

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\* This draft Offshore Wind Power Purchase Agreement is intended to provide a general description of the terms to which the Connecticut electric distribution companies are willing to agree. Bidders are discouraged from proposing any material changes or conditions to the draft Agreement, and the electric distribution companies have no obligation to accept any specific proposed changes or conditions. The final Agreement will be subject to negotiations with the individual electric distribution companies and will be customized to address the relevant circumstances. Accordingly, certain provisions in the final Agreement may differ from this draft Agreement.

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### **Exhibits**

Exhibit A	Description of Facility
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Exhibit C	Form of Progress Report
Exhibit D	Products and Pricing
Exhibit E	Network Upgrades
Exhibit F	Form of Letter of Credit

## POWER PURCHASE AGREEMENT

This POWER PURCHASE AGREEMENT (as amended from time to time in accordance with the terms hereof, this “Agreement”) is entered into as of [\_\_\_\_\_, 201\_] (the “Effective Date”), by and between [The Connecticut Light and Power Company d/b/a Eversource Energy, a Connecticut corporation] [The United Illuminating Company, a specially chartered Connecticut corporation] (“Buyer”), and [\_\_\_\_\_, a [\_\_\_\_\_] (“Seller”). Buyer and Seller are individually referred to herein as a “Party” and are collectively referred to herein as the “Parties”.

**WHEREAS**, Seller is developing the [\_\_\_\_\_] offshore wind electric generation facility to be located in [\_\_\_\_\_), which is more fully described in Exhibit A hereto (the “Facility”), from which the Buyer’s Percentage Entitlement of the Products (as defined below) is to be delivered to Buyer pursuant to the terms of this Agreement; and

**WHEREAS**, subject to Section 4.1(b), the Facility is, and shall qualify as, a RPS Class I Renewable Generation Unit in the state of Connecticut and the Facility is expected to be in commercial operation by [\_\_\_\_\_] ; and

**WHEREAS**, pursuant to Conn. Gen. Stat. Section 16a-3n, Buyer is authorized to enter into certain long-term contracts for the purchase of energy and renewable energy certificates from offshore wind facilities meeting the requirements of Conn. Gen. Stat. Section 16a-3n; and

**WHEREAS**, Buyer and Seller desire to enter into this Agreement whereby Buyer shall purchase from Seller certain Energy and RECs (each as defined herein) generated by or associated with the Facility;

**NOW, THEREFORE**, in consideration of the premises and of the mutual agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

### 1. DEFINITIONS

In addition to terms defined in the recitals hereto, the following terms shall have the meanings set forth below. Any capitalized terms used in this Agreement and not defined herein shall have the same meaning as ascribed to such terms under the ISO-NE Practices and ISO-NE Rules.

“Actual Facility Size” shall mean the actual nameplate capacity of the Facility, as built, and as certified by an Independent Engineer, as provided in Section 3.4(b)(xi).

“Adverse Determination” shall have the meaning set forth in Section 19.7.

“Affiliate” shall mean, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries Controls, is Controlled by, or is under common Control with, such first Person.

“Agreement” shall have the meaning set forth in the first paragraph of this Agreement.

**“Alternative Compliance Payment Rate”** means the rate per MWh paid by electricity suppliers under applicable Law for failure to supply RECs in accordance with the RPS.

**“Bankruptcy Default”** shall have the meaning set forth in Section 9.1(d) hereof.

**“Bid”** shall mean the proposal submitted by Seller for the Facility in response to the Request for Proposals for [ ] dated [ ], 2023 and issued by the Connecticut Department of Energy and Environmental Protection.

**“Business Day”** means a day on which Federal Reserve member banks in New York, New York are open for business; and a Business Day shall start at 8:00 a.m. and end at 5:00 p.m. Eastern Prevailing Time.

**“Buyer”** shall have the meaning set forth in the first paragraph hereof.

**“Buyer’s Percentage Entitlement”** shall mean Buyer’s rights to [ ] percent ([ ] %) of the Products. Buyer’s Percentage Entitlement may be adjusted in accordance with Section 3.3(c).

**“Buyer’s Taxes”** shall have the meaning set forth in Section 5.4(a) hereof.

**“Capacity Deficiency”** means, at the Commercial Operation Date, the amount (expressed in MW), if any, by which the Actual Facility Size is less than the proposed nameplate capacity of the Facility as set forth in Exhibit A.

**“Certificate”** shall mean an electronic certificate created pursuant to the GIS Operating Rules or any successor thereto to represent certain Environmental Attributes of each MWh of energy generated within the ISO-NE control area and the generation attributes of certain energy imported into the ISO-NE control area. For the avoidance of doubt, Certificate(s) shall include any and all Environmental Attributes associated with the Energy from the Facility or otherwise produced by the Facility and shall represent title to and claim over all such Environmental Attributes.

**“Commercial Operation Date”** shall mean the date on which the conditions set forth in Section 3.4(b) have been satisfied, as set out in a written notice from Seller to Buyer.

**“Contract Maximum Amount”** shall mean [ ] MWh per hour of Energy and a corresponding portion of all other Products, as may be adjusted in accordance with Section 3.3(b).

**“Contract Year”** shall mean the twelve (12) consecutive calendar months starting on the first day of the calendar month following the Commercial Operation Date and each subsequent twelve (12) consecutive calendar month period; provided that the first Contract Year shall include the days in the prior month in which the Commercial Operation Date occurred.

**“Control”** or **“Controlled”** shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

**“Cover Damages”** shall mean, with respect to any Delivery Failure, an amount equal to (a) the positive net amount, if, any, by which the Replacement Price exceeds the applicable Price that would have been paid for the Products pursuant to Section 5.1 hereof, multiplied by the quantity of that Delivery Failure, plus (b) any other costs incurred by Buyer in purchasing Replacement Energy and/or Replacement RECs due to that Delivery Failure, plus (c) any applicable penalties and other costs assessed by ISO-NE or any other Person against Buyer as a result of that Delivery Failure, plus (d) additional transmission charges, if any, incurred by Buyer to transmit Replacement Energy to the Delivery Point, plus (e) any other transaction and other out-of-pocket costs incurred by Buyer that would not have been incurred but for the Delivery Failure. Buyer shall provide a statement for the applicable period explaining in reasonable detail the calculation of any Cover Damages.

**“Credit Support”** shall mean collateral in the form of a Letter of Credit issued by a Qualified Bank in a form reasonably acceptable to the Buyer and as more fully described in Article 6.

**“Critical Milestones”** shall have the meaning set forth in Section 3.1 hereof.

**“Day-Ahead Energy Market”** shall have the meaning set forth in the ISO-NE Rules.

**“Default”** shall mean any event or condition which, with the giving of notice or passage of time or both, could become an Event of Default.

**“Defaulting Party”** shall mean the Party with respect to which a Default or Event of Default has occurred.

**“Delay Damages”** shall mean the damages assessed pursuant to Section 3.2(a) hereof.

**“Deliver”** or **“Delivery”** or **“Delivered”** 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 this Agreement and the ISO-NE Rules, (ii) other wholesale market components, as other wholesale market components are settled via Buyer’s ISO-NE Settlement account, and (iii) RECs, to supply RECs in accordance with Section 4.7(e).

**“Delivery Failure”** shall have the meaning set forth in Section 4.3 hereof.

**“Delivery Point”** shall mean the specific location on the Pool Transmission Facilities where Seller shall Deliver its Energy to Buyer, as set forth in Section 4.2(d).

**“Department”** shall mean the Connecticut Department of Energy and Environmental Protection and its successors.

**“Development Period Security”** shall have the meaning set forth in Section 6.1(a) hereof.

**“Dispute”** shall have the meaning set forth in Section 11.1 hereof.

**“Eastern Prevailing Time”** shall mean either Eastern Standard Time or Eastern Daylight Savings Time, as in effect from time to time.

**“Effective Date”** shall have the meaning set forth in the first paragraph hereof.

**“Energy”** shall mean electric “energy,” as such term is defined in the ISO-NE Tariff, generated by the Facility as measured in MWh in Eastern Prevailing Time, less such Facility’s station service use, generator lead losses and transformer losses, which quantity for purposes of this Agreement will never be less than zero.

**“Environmental Attributes”** shall mean each of the following that exists under the laws and regulations of the State of Connecticut, or under any other international, federal, regional, state or other law, rule or regulation as of the Effective Date or may come into effect during the Term of this Agreement: (i) GIS Certificates, (ii) credits, benefits, reductions, offsets and other beneficial allowances, including, to the extent applicable and without limitation, performance based incentives or renewable portfolio standard in the state in which the generation facility is located or in other jurisdictions (collectively, “Allowances”) attributable to the ownership or operation of the electric generation facility or the production or sale of Energy that avoids the emission of carbon into the air, soil or water, (iii) other Allowances howsoever named or referred to, with respect to any and all fuel, emissions, air quality, or other environmental characteristics, resulting from the production of electric generation or the production or sale of Energy that avoids the emission of carbon into the air, soil or water and in which Seller has good and valid title, including any credits to be evidenced by Renewable Energy Certificates or similar laws or regulations applicable in any jurisdiction as such may be amended during the Term of this Agreement, (iv) any such Allowances related to (A) oxides of carbon or (B) the United Nations Framework Convention on Climate Change (the “UNFCCC”) or the Kyoto Protocol to the UNFCCC or crediting “early action” with a view thereto, or involving or administered by the Clear Air Markets Division of the United States Environmental Protection Agency or any successor or other agency that is given jurisdiction over a program involving transferability of specific Environmental Attributes, and (v) all reporting rights with respect to such allowances under Section 1605(b) of the Energy Policy Act of 1992, as amended from time to time or any successor statute, or any other current or future international, federal, state or local law, regulation or bill, or otherwise. Environmental Attributes shall not include: (i) any state or federal production tax credits; (ii) any state or federal investment tax credits or other tax credits associated with the construction or ownership of the Facility; (iii) any state or federal tax credit introduced after the Effective Date of this Agreement intended to supplement, replace or enhance the tax credits described in the foregoing clauses (i) and (ii); (iv) any depreciation deductions permitted under the Internal Revenue Code with respect to the Facility (including any bonus or accelerated depreciation); or (v) any state, federal or

private grants, Financing, guarantees or other credit support relating to the construction or ownership, operation or maintenance of the Facility or the output thereof.

**“Event of Default”** shall have the meaning set forth in Section 9.1 hereof and shall include the events and conditions described in Section 9.1 and Section 9.2 hereof.

**“EWG”** shall mean an exempt wholesale generator under 15 U.S.C. § 79z-5a, as amended from time to time.

**“Facility”** shall have the meaning set forth in the Recitals and as more fully described in Exhibit A.

**“FCA”** shall have the meaning set forth in Section 7.4 hereof.

**“FCAQ”** shall have the meaning set forth in Section 7.4 hereof.

**“FCM”** shall mean the Forward Capacity Market described in the ISO-NE Tariff, which includes a mechanism for procuring capacity in the New England Control Area, or any successor thereto.

**“FERC”** shall mean the United States Federal Energy Regulatory Commission, and shall include its successors.

**“Financial Closing Date”** shall mean the date of the closing of the initial agreements for any Financing of the Facility and of an initial disbursement of funds under such agreements.

**“Financing”** shall mean any direct or indirect funding for the development, construction or operation of the Facility in connection with any development, bridge, construction, permanent debt or Tax Equity Transaction or refinancing for the Facility, including, without limitation, lease, inverted lease, sale, leaseback, partnership flip, monetization of tax benefits, back leverage financing, credit derivative arrangements, indebtedness, whether secured or unsecured, loans, guarantees, notes, convertible debt, and bond issuances..

**“Force Majeure”** shall have the meaning set forth in Section 10.1(a) hereof.

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

**“GIS”** shall mean the 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.

**“GIS Operating Rules”** are the NEPOOL Generation Information System Operating Rules effective as of the Effective Date, as amended, superseded, or restated from time to time.

**“Good Utility Practice”** shall mean compliance with all applicable laws, codes, rules and regulations, all applicable ISO-NE Rules and ISO-NE Practices, and any practices, methods and acts engaged in or approved by a significant portion of the electric industry in New England during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision is made, could have been expected to accomplish the desired result consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather is intended to include acceptable practices, methods and acts generally accepted in the electric industry in New England.

**“Governmental Entity”** shall mean any federal, state or local governmental agency, authority, department, instrumentality or regulatory body, and any court or tribunal, with jurisdiction over Seller, Buyer or the Facility, but does not include ISO-NE.

**“Guaranteed Commercial Operation Date”** shall have the meaning set forth in Section 3.1(a)(x) hereof.

**“I.3.9 Confirmation”** refers to the ISO-NE Tariff Section I.3.9 pertaining to ISO-NE’s approval of proposed plans as specified therein.

**“Independent Engineer”** shall mean a licensed Professional Engineer with expertise in the development of renewable energy projects using the same renewable energy technology as the Facility, reasonably selected by and retained by Seller in order to determine the as-built nameplate capacity of the Facility as provided in Section 3.4(b)(xi) hereof.

**“Interconnecting Utility”** shall mean the utility providing interconnection service for the Facility to the distribution system or Transmission System, as applicable, of that utility.

**“Interconnection Agreement”** shall mean an agreement between Seller and the Interconnecting Utility and ISO-NE, as applicable, regarding the interconnection of the Facility to the distribution system or Transmission System, as applicable, of the Interconnecting Utility, as the same may be amended from time to time.

**“Interconnection Point”** shall have the meaning set forth in the Interconnection Agreement.

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

**“ISO-NE Practices”** shall mean the ISO-NE practices and procedures for delivery and transmission of energy in effect from time to time and shall include, without limitation, applicable requirements of the NEPOOL Agreement, and any applicable successor practices and procedures.

**“ISO-NE Rules”** shall mean all rules and procedures adopted by NEPOOL, ISO-NE, or the RTO, and governing wholesale power markets and transmission in New England, as

such rules may be amended from time to time, including but not limited to, the ISO-NE Tariff, the ISO-NE Operating Procedures (as defined in the ISO-NE Tariff), the ISO-NE Planning Procedures (as defined in the ISO-NE Tariff), the Transmission Operating Agreement (as defined in the ISO-NE Tariff), the ISO-NE Participants Agreement, the manuals, procedures and business process documents published by ISO-NE via its web site and/or by its e-mail distribution to appropriate NEPOOL participants and/or NEPOOL committees, as amended, superseded or restated from time to time.

**“ISO-NE Settlement”** shall mean the processes under the ISO-NE Tariff through which the distribution of payments and expenses resulting from ISO-NE administered electric wholesale markets occur.

**“ISO-NE Tariff”** shall mean ISO-NE’s Transmission, Markets and Services Tariff, FERC Electric Tariff No. 3, as amended, superseded or restated from time to time.

**“Late Payment Rate”** shall have the meaning set forth in Section 5.3 hereof.

**“Law”** shall mean all federal, state and local statutes, regulations, rules, orders, executive orders, decrees, policies, judicial decisions and notifications.

**“Lender”** shall mean a party providing Financing for the development and construction of the Facility, or any refinancing of that Financing, including any party receiving a security interest in the Facility, and shall include financial hedge providers and any assignee or transferee of such a party and any trustee, collateral agent or similar entity acting on behalf of such a party and any party to a sale-leaseback transaction or other tax equity transaction.

**“Letter of Credit”** shall mean an irrevocable, non-transferable standby letter of credit issued by a Qualified Bank utilizing a form acceptable to the Buyer in whose favor such letter of credit is issued, in a form substantially similar to Exhibit F. All costs relating to any Letter of Credit shall be for the account of the Seller.

**“Locational Marginal Price”** or **“LMP”** shall have the meaning set forth in the ISO-NE Rules.

**“Market Price”** shall mean the price received by Buyer by selling the Energy into either the ISO-NE-administered Day-Ahead or Real-Time Markets, as applicable.

**“Meters”** shall have the meaning set forth in Section 4.6(a) hereof.

**“Moody’s”** shall mean Moody’s Investors Service, Inc., and any successor thereto.

**“MW”** shall mean a megawatt alternating current (“AC”).

**“MWh”** shall mean a megawatt-hour (one MWh shall equal 1,000 kWh).

**“NEPOOL”** shall mean the New England Power Pool and any successor organization.

**“NERC”** shall mean the North American Electric Reliability Corporation and shall include any successor thereto.

**“Network Upgrades”** shall mean upgrades to the Pool Transmission Facilities and the Transmission Provider’s transmission and distribution systems, as determined and identified in the interconnection study approved in connection with construction of the Facility, necessary for Delivery of the Energy to the Delivery Point, including those [that are necessary for the Seller’s satisfaction of the obligations under Sections 3.6(a) and 7.4 of this Agreement and] that are included in Exhibit E. *[dependent on accepted bid]*

**“New England Control Area”** shall have the meaning as set forth in the ISO-NE Tariff.

**“Node”** shall have the meaning set forth in ISO-NE Rules.

**“Non-Defaulting Party”** shall mean the Party with respect to which a Default or Event of Default has not occurred.

**“Operating Period Security”** shall have the meaning set forth in Section 6.1(b) hereof.

**“Other Program Benefits”** shall mean any and all Connecticut ratepayer-funded incentives or subsidies or any other program or contract to sell products produced by the Facility to a Connecticut electric distribution company, including but not limited to net metering, pursuant to C.G.S. § 16-243h, virtual net metering, pursuant to C.G.S. § 16-244u, Shared Clean Energy Facility (SCEF) pursuant to C.G.S. § 16-244x, or LREC/ZREC pursuant to C.G.S. §§ 16-244r and 16-244t, renewable energy tariffs, pursuant to C.G.S. § 16-244z, or any successor programs.

**“Party”** and **“Parties”** shall have the meaning set forth in the first paragraph of this Agreement.

**“Payment Default”** shall have the meaning set forth in Section 9.1(b) hereof.

**“Permits”** shall mean any permit, authorization, license, order, consent, waiver, exception, exemption, variance or other approval by or from, and any filing, report, certification, declaration, notice or submission to or with, any Governmental Entity required to authorize action, including any of the foregoing relating to the ownership, siting, construction, operation, use or maintenance of the Facility under any applicable Law and the Delivery of the Products in accordance with this Agreement.

**“Person”** shall mean an individual, partnership, corporation, limited liability company, limited liability partnership, limited partnership, association, trust, unincorporated organization, or Governmental Entity.

**“Pool Transmission Facilities”** has the meaning given that term in the ISO-NE Rules.

**“Price”** shall mean the purchase price(s) for Products referenced in Section 5.1 hereof and set forth on Exhibit D.

**“Products”** shall mean Energy, any other wholesale market components associated with the Facility that are settled via the ISO-NE Settlement, and RECs; provided, however, that Energy, RECs, and other wholesale market components generated by or associated with the Facility during the Test Period or in excess of the Contract Maximum Amount and RECs not purchased by Buyer under Section 4.1(b) shall not be deemed Products. For the avoidance of doubt, capacity (and capacity-related products) shall not be deemed a Product purchased under this Agreement.

**“PURA”** shall mean the Connecticut Public Utilities Regulatory Authority and shall include its successors.

**“QF”** shall mean a cogeneration or small power production facility which meets the criteria as defined by FERC in Title 18, Code of Federal Regulations, §§ 292.201 through 292.207, as amended from time to time.

**“Qualified Bank”** shall mean a U.S. commercial bank or the U.S. branch office of a foreign bank, in either case, having (x) assets on its most recent audited balance sheet of at least \$10,000,000,000 and (y) a rating for its senior long-term unsecured debt obligations of at least (A) “A-” by S&P and “A3” by Moody’s, if such entity is rated by both S&P and Moody’s or (B) “A-” by S&P or “A3” by Moody’s, if such entity is rated by either S&P or Moody’s but not both.

**“Real-Time Energy Market”** shall have the meaning as set forth in the ISO-NE Rules.

**“Regulatory Approval”** shall mean PURA’s issuance of a final decision approving this Agreement (including any amendment of this Agreement as provided for herein), including the continuing authorization for recovery by Buyer of all net costs incurred under this Agreement and the costs incurred in connection with this Agreement for the entire Term of this Agreement, which approval is acceptable in form and substance to Buyer, does not include any conditions or modifications that Buyer deems to be unacceptable, and is final and not subject to appeal or rehearing. Without limiting the foregoing, the Regulatory Approval will provide that all costs incurred under this Agreement, including all costs incurred by Buyer hereunder and in connection herewith if this Agreement is ever invalidated in whole or in part by a court or agency of competent jurisdiction, and costs incurred in connection with this Agreement shall be recovered by Buyer on a timely basis through a non-bypassable fully reconciling component of electric rates, such that Buyer is made whole for such costs, and that PURA and any successor agency will not refuse full and complete recovery to make Buyer whole for such costs.

**“Rejected Purchase”** shall have the meaning set forth in Section 4.4 hereof.

**“Reliability Curtailment”** shall mean any curtailment of Delivery of Energy resulting from (i) an emergency condition as defined in the Interconnection Agreement or the ISO-NE Tariff, or (ii) any other order or directive of the Interconnecting Utility or the Transmission Provider pursuant to an Interconnection Agreement or tariff.

**“Renewable Energy Certificates”** or **“RECs”** shall mean all of the Certificates and any and all other Environmental Attributes associated with the Energy or otherwise produced

by the Facility which satisfy the RPS for a RPS Class I Renewable Generation Unit, and shall represent title to and claim over all Environmental Attributes associated with the specified MWh of generation from such RPS Class I Renewable Generation Unit.

**“Replacement Energy”** shall mean energy purchased by Buyer as replacement for any Delivery Failure relating to the Energy to be provided hereunder.

**“Replacement Price”** shall mean the price at which Buyer, acting in a commercially reasonable manner, (A) purchases Replacement Energy and/or Replacement RECs plus (i) costs incurred by Buyer in purchasing such Replacement Energy and/or Replacement RECs, (ii) additional transmission charges, if any, incurred by Buyer to transmit Replacement Energy to the Delivery Point, and (iii) any other costs and losses incurred by Buyer as a result of the Delivery Failure; provided, however, that in no event shall Buyer be required to utilize or change its utilization of its owned or controlled assets, contracts or market positions to minimize Seller’s liability, or (B) elects in its sole discretion not to purchase Replacement Energy and/or Replacement RECs, the market value of Energy and/or the Alternative Compliance Payment Rate as of the date and the time of the Delivery Failure plus any other costs and losses incurred by Buyer as a result of the Delivery Failure will replace the price at which Buyer purchases Replacement Energy and/or Replacement RECs in the calculation of the Replacement Price relating to the Products to be purchased and sold hereunder.

**“Replacement RECs”** shall mean any generation or Environmental Attributes, including any Certificates or other certificates or credits related thereto reflecting generation by a RPS Class I Renewable Generation Unit that are purchased by Buyer as replacement for any RECs not Delivered as required hereunder.

**“Resale Damages”** shall mean, with respect to any Rejected Purchase, an amount equal to (a) the positive net amount, if any, by which the applicable Price that would have been paid pursuant to Section 5.1 hereof for such Rejected Purchase, had it been accepted, exceeds the Resale Price multiplied by the quantity of that Rejected Purchase (in MWh and/or RECs, as applicable), plus (b) any applicable penalties assessed by ISO-NE or any other Person against Seller as a result of Buyer’s failure to accept such Products in accordance with the terms of this Agreement. Seller shall provide a written statement for the applicable period explaining in reasonable detail the calculation of any Resale Damages.

**“Resale Price”** shall mean the price at which Seller, acting in a commercially reasonable manner, sells or is paid for a Rejected Purchase, plus transaction and other administrative costs reasonably incurred by Seller in re-selling such Rejected Purchase that Seller would not have incurred but for the Rejected Purchase; provided, however, that in no event shall Seller be required to utilize or change its utilization of the Facility or its other assets, contracts or market positions in order to minimize Buyer’s liability for such Rejected Purchase.

**“RPS”** shall mean the requirements established pursuant to Conn. Gen. Stat. Section 16-245a and the regulations promulgated thereunder that require all retail electricity

suppliers in Connecticut to provide a minimum percentage of electricity from RPS Class I Renewable Generation Units, and such successor laws and regulations as may be in effect from time to time.

**"RPS Class I Renewable Generation Unit"** shall mean a "Class I renewable energy source" as defined in Conn. Gen. Stat. Section 16-1 that produces RECs that qualify for the RPS.

**"RTO"** shall mean ISO-NE, and any successor organization of or entity to ISO-NE, as authorized by FERC to exercise the functions pursuant to FERC's Order No. 2000 and FERC's corresponding regulations, or any successor organization, or any other entity authorized to exercise comparable functions in subsequent orders or regulations of FERC.

**"S&P"** shall mean Standard & Poor's Financial Services LLC and any successor thereto.

**"Schedule" or "Scheduling"** shall mean (i) for Energy, the actions of Seller and/or its designated representatives pursuant to Section 4.2, of notifying, requesting and confirming to ISO-NE the quantity of Energy to be delivered on any given day or days (or in any given hour or hours) during the Services Term at the Delivery Point, and (ii) for other wholesale market components, the actions of Seller and/or its designated representatives of complying with all ISO-NE Practices and ISO-NE Rules to allow and ensure that the other wholesale market components are settled through the Buyer's ISO-NE Settlement.

**"Seller"** shall have the meaning set forth in the first paragraph hereof.

**"Seller's Taxes"** shall have the meaning set forth in Section 5.4(a) hereof.

**"Services Term"** shall have the meaning set forth in Section 2.2(b) hereof.

**"Tax Equity Transaction"** shall mean, with respect to Seller, any transaction or series of transactions pursuant to which (i) a Person either (A) obtains less than one hundred percent (100%) of the equity interests in Seller or any entity that has an interest in Seller in connection with a partnership flip transaction or (B) obtains all of the equity interests in Seller in connection with a lease, inverted lease or sale leaseback transaction (in either case, such Person, a **"Tax Equity Investor"**), (ii) such transaction or series of transactions does not result in a change in Control of Seller, subject to the Tax Equity Investor's right to vote in any major decision with respect to Seller, and (iii) Seller retains control of the Facility.

**"Term"** shall have the meaning set forth in Section 2.2(a) hereof.

**"Termination Payment"** shall have the meaning set forth in Section 9.3(b) hereof.

**"Test Energy"** shall have the meaning set forth in Section 4.8 hereof.

**"Test Period"** shall have the meaning set forth in Section 3.4(a) hereof.

**“Transmission Provider”** shall mean (a) ISO-NE, its respective successor or Affiliates; (b) Interconnecting Utility; and/or (c) such other third parties from whom transmission services are necessary for Seller to fulfill its performance obligations to Buyer hereunder, as the context requires.

**“Transmission System”** shall mean the transmission facilities operated by a Transmission Provider, now or hereafter in existence, which provide energy transmission service for the Energy to or from the Delivery Point.

**“Unit Contingent”** shall mean (i) with respect to Energy and RECs, that such Energy and RECs are to be supplied only from the Facility and only to the extent that the Facility is generating energy, and (ii) with respect to other wholesale market components, that such other wholesale market components are to be supplied only from the Facility.

## 2. EFFECTIVE DATE; TERM

2.1 Effective Date. Subject in all respects to Article 8, this Agreement is effective as of the Effective Date.

2.2 Term.

(a) The “**Term**” of this Agreement is the period beginning on the Effective Date and ending upon the final settlement of all obligations hereunder after the expiration of the Services Term or the earlier termination of this Agreement in accordance with its terms.

(b) The “**Services Term**” is the period during which Buyer is obligated to purchase Products Delivered to Buyer by Seller commencing on the Commercial Operation Date and continuing for a period of [ ] years from the Commercial Operation Date, unless this Agreement is earlier terminated in accordance with the provisions hereof.

(c) At the expiration of the Term or earlier termination of this Agreement pursuant to the terms hereof, the Parties shall no longer be bound by the terms and provisions hereof, except (i) to the extent necessary to make payments of any amounts owed to the other Party arising prior to or resulting from termination of, or on account of a breach of, this Agreement, (ii) to the extent necessary to enforce the rights and the obligations of the Parties arising under this Agreement before such expiration or termination, and (iii) the obligations of the Parties hereunder with respect to confidentiality and indemnification shall survive the expiration or termination of this Agreement.

## 3. FACILITY DEVELOPMENT AND OPERATION

3.1 Critical Milestones.

(a) Subject to the provisions of Section 3.1(d), commencing on the Effective Date, Seller shall develop the Facility in order to achieve the following milestones (“**Critical Milestones**”) on or before the dates set forth in this Section 3.1(a):

- (i) receipt of all necessary approvals by [\_\_\_\_\_] [relevant siting authorities for construction and operation of the Facility, the interconnection of the Facility to the Interconnecting Utility and the construction of Network Upgrades], in final form, by [\_\_\_\_\_];
- (ii) qualification determination notification under ISO-NE Tariff Section III.13.1.1.2.8 with respect to the New Generating Capacity Resource's participation in the Forward Capacity Auction, stating summer and winter qualified capacity and a list of transmission upgrades required, if any, by [\_\_\_\_\_];
- (iii) receipt of all Permits necessary to construct the Facility, as set forth in Exhibit B, in final form, by [\_\_\_\_\_];
- (iv) execution of the Interconnection Agreement by all parties thereto by [\_\_\_\_\_];
- (v) acquisition of all required real property rights necessary for construction and operation of the Facility and the interconnection of the Facility to the Interconnecting Utility in full and final form with all options and/or contingencies having been exercised demonstrating complete site control as set forth in Exhibit B, by [\_\_\_\_\_];
- (vi) execution of one or more agreements providing for the engineering, procurement and construction of the Facility, which shall include all such services necessary to construct the Facility, by [\_\_\_\_\_];
- (vii) closing of the Financing adequate for the development and construction of the Facility or other demonstration to Buyer's satisfaction of the financial capability to develop and construct the Facility, including, as applicable, Seller's financial obligations with respect to interconnection of the Facility to the Interconnecting Utility and construction of the Network Upgrades by [\_\_\_\_\_];
- (viii) issuance of a full notice to proceed by Seller to its general contractor and commencement of construction of the Facility by [\_\_\_\_\_];
- (ix) receipt of all Permits necessary to operate the Facility, as set forth in Exhibit B, in final form, by [\_\_\_\_\_]; and
- (x) achievement of the Commercial Operation Date by [\_\_\_\_\_] (**“Guaranteed Commercial Operation Date”**).

(b) Seller shall provide Buyer with written notice of the achievement of each Critical Milestone within seven (7) days after that achievement, which notice shall include information demonstrating with reasonable specificity that such Critical Milestone has been achieved. Seller acknowledges that Buyer will receive such notice solely to monitor progress toward the Commercial Operation Date, and Buyer shall have no responsibility or liability for the development, construction, operation or maintenance of the Facility.

(c) Seller may elect to extend all of the dates for the Critical Milestones not yet achieved by up to four (4) six-month periods from the applicable dates set forth in Section 3.1(a) by posting additional Development Period Security in an amount equal to **[\$10,000 per MWh per hour of Contract Maximum Amount – *Dollar amount will be calculated based on Contract Maximum Amount and inserted into final contract.***] for each such six-month period. Any such election shall be made in a written notice delivered to Buyer on or prior to the first date for a Critical Milestone that has not yet been achieved (as such date may have previously been extended).

(d) To the extent a Force Majeure event pursuant to Section 10.1 has occurred that prevents the Seller from achieving the Critical Milestone date related solely to acquisition of real property rights necessary for interconnection of the Facility to the Interconnecting Utility (Section 3.1(a)(v)) or the Commercial Operation Date (Section 3.1(a)(x) by the applicable Critical Milestone date, the Critical Milestone Date(s) impacted by such Force Majeure event shall be extended for the duration of the Force Majeure event, but under no circumstances shall extensions of those Critical Milestone dates due to Force Majeure events exceed twelve (12) months beyond the applicable Milestone date, and further provided, that the Seller shall not have the right to declare a Force Majeure event related to the Permits Critical Milestone (Section 3.1(a)(iii)), the acquisition of real property rights other than for interconnection of the Facility with the Interconnecting Utility (Section 3.1(a)(v)), the Facility engineering, procurement and construction contract Critical Milestone (Section 3.1(a)(vi), the Financing Critical Milestone (Section 3.1(a)(vii)), or the execution of the Interconnection Agreement (Section 3.1(a)(iv).

(e) The Parties agree that time is of the essence with respect to the Critical Milestones and is part of the consideration to Buyer in entering into this Agreement.

### 3.2 Delay Damages.

(a) If the Commercial Operation Date is not achieved by the Guaranteed Commercial Operation Date (as extended pursuant to Sections 3.1(c) and 10.1), Seller shall pay to Buyer damages for each day from and after such date in an amount equal to **[\$200.00 per MWh per hour of Contract Maximum Amount – *Dollar amount will be calculated based on Contract Maximum Amount and inserted into final contract.***], commencing on the Guaranteed Commercial Operation Date (as extended pursuant to Sections 3.1(c) and 10.1) and ending on the earlier of (i) the Commercial Operation Date, (ii) the date that Buyer exercises its right to terminate this Agreement under Section 9.3, or (iii) the date that is twelve (12) months after the Guaranteed Commercial Operation Date (“**Delay Damages**”). Delay Damages shall be due under this Section 3.2(a) without regard to whether Buyer exercises its right to terminate this Agreement pursuant to Section 9.3; provided, however, that if Buyer exercises its right to

terminate this Agreement under Section 9.3, Delay Damages shall be due and owing to the extent that such Delay Damages were due and owing at the date of such termination.

(b) Each Party agrees and acknowledges that (i) the damages that Buyer would incur due to Seller's delay in achieving the Commercial Operation Date by the Guaranteed Commercial Operation Date would be difficult or impossible to predict with certainty, and (ii) it is impractical and difficult to assess actual damages in the circumstances stated, and therefore the Delay Damages as agreed to by the Parties and set forth herein are a fair and reasonable calculation of such damages. Notwithstanding the foregoing, this Article shall not limit the amount of damages payable to Buyer if this Agreement is terminated as a result of Seller's failure to achieve the Commercial Operation Date. Any such termination damages shall be determined in accordance with Article 9.

(c) By the tenth (10th) day following the end of the calendar month in which Delay Damages first become due and continuing by the tenth (10th) day of each calendar month during the period in which Delay Damages accrue (and the following months if applicable), Buyer shall deliver to Seller an invoice showing Buyer's computation of such damages and any amount due Buyer in respect thereof for the preceding calendar month. No later than ten (10) days after receiving such an invoice, Seller shall pay to Buyer, by wire transfer of immediately available funds to an account specified in writing by Buyer or by any other means agreed to by the Parties in writing from time to time, the amount set forth as due in such invoice. If Seller fails to pay such amounts when due, Buyer may draw upon the Development Period Security for payment of such Delay Damages, and Buyer may exercise any other remedies available for Seller's default hereunder.

### 3.3 Construction and Changes in Capacity.

(a) Construction of Facility. Seller shall construct the Facility as described in Exhibit A, in accordance with Good Utility Practice, the manufacturer's guidelines for all material components of the Facility and all requirements of the ISO-NE Rules and ISO-NE Practices for the delivery of the Products to Buyer. Seller shall bear all costs related thereto. Seller may contract with other Persons to provide construction functions, so long as Seller maintains overall control over the construction of the Facility through the Term.

(b) Capacity Deficiency. To the extent that Seller has constructed the Facility in accordance with Good Utility Practice, and met all other requirements for the Commercial Operation Date under Section 3.4(b) of this Agreement, including, without limitation, the requirement that the Actual Facility Size as of the Commercial Operation Date is at least ninety percent (90%) of the proposed nameplate capacity of the Facility as set forth in Exhibit A, but a Capacity Deficiency exists on the Commercial Operation Date as permitted by Section 3.4(b), then on the Commercial Operation Date, the Contract Maximum Amount shall be automatically and permanently reduced commensurate with the Capacity Deficiency, which reduced Contract Maximum Amount shall be stated in a notice from Buyer to Seller, which notice shall be binding absent manifest error.

(c) Increase in Facility Size. To the extent that Seller has constructed the Facility in accordance with Section 3.3(a), and met all other requirements under Section 3.4(b) of

this Agreement, if the Independent Engineer's certification provides that the Actual Facility Size exceeds the Proposed Facility Size as provided in Exhibit A, the Buyer's Percentage Entitlement will be recalculated and replaced by the percentage derived by dividing the Contract Maximum Amount by the Actual Facility Size.

(d) Progress Reports. Within ten (10) days of the end of each calendar quarter after the Effective Date and continuing until the Commercial Operation Date, Seller shall provide Buyer with a progress report regarding the development, construction and start-up of the Facility and Critical Milestones not yet achieved, including projected time to completion of the Facility, in accordance with the form attached hereto as Exhibit C, and shall provide supporting documents and detail supporting any claim that a Critical Milestone has been achieved and other documents and details upon Buyer's request. Seller shall permit Buyer and its advisors and consultants to review and discuss with Seller and its advisors and consultants such progress reports during business hours and upon reasonable notice to Seller.

(e) Site Access. Buyer and its representatives shall have the right but not the obligation, during business hours and upon reasonable notice to Seller, to inspect the Facility site and view the construction of the Facility, provided, that (i) Buyer and its representatives shall observe all applicable Facility safety and access rules while such representatives are at the Facility Site, and (ii) Seller may remove any such authorized individuals from the Facility Site if they have violated any of the Facility safety and access rules.

### 3.4 Commercial Operation.

(a) Seller's obligation to Deliver the Products and Buyer's obligation to pay Seller for such Products commences on the Commercial Operation Date; provided, that such date shall not occur earlier than twelve (12) months prior to the Guaranteed Commercial Operation Date; and further provided, that Energy, RECs and other wholesale market components generated by or associated with the Facility prior to the Commercial Operation Date (the "Test Period") shall not be deemed Products.

(b) The Commercial Operation Date shall occur on the date on which Seller provides Buyer with a certificate of Seller's chief executive officer, chief operating officer, chief financial officer or another officer of a similar level in Seller's organization notifying Buyer that (A) the Facility as described in Exhibit A is completed subject, if applicable, to a Capacity Deficiency, so long as the Actual Facility Size on the Commercial Operation Date is (i) no less than ninety percent (90%) of the proposed nameplate capacity of the Facility set forth in Exhibit A, and (ii) at least [ ] MWs and capable of regular commercial operation in accordance with Good Utility Practice and the manufacturer's guidelines for all material components of the Facility, (B) all requirements of the ISO-NE Rules and ISO-NE Practices for the delivery of the Products to the Buyer have been satisfied, and (C) all performance testing for the Facility has been successfully completed, provided Seller has also satisfied the following conditions precedent and provided documentation to Buyer of such satisfaction, as of such date:

(i) transmission and interconnection facilities and any and all Network Upgrades are complete and in-service, including those included in Exhibit E, and final acceptance and authorization to interconnect

the Facility from ISO-NE or the Interconnecting Utility in accordance with the fully executed Interconnection Agreement and as required to interconnect the Facility at the Interconnection Point at a level that is capable of satisfying the Network Capability Interconnection Standard and the Capacity Capability Interconnection Standard both as defined under the ISO-NE Rules;

- (ii) Seller has obtained and demonstrated possession of all Permits required for the lawful construction and operation of the Facility, for the interconnection of the Facility to the Interconnecting Utility (including any Network Upgrades) and for Seller to perform its obligations under this Agreement, including but not limited to Permits related to environmental matters, all as set forth on Exhibit B;
- (iii) Seller has obtained qualification by the applicable regulatory authority for the state of Connecticut qualifying the Facility as a RPS Class I Renewable Generation Unit;
- (iv) Seller has acquired all real property rights needed to construct and operate the Facility, to interconnect the Facility to the Interconnecting Utility, to construct the Network Upgrades (to the extent that it is Seller's responsibility to do so) and to perform Seller's obligations under this Agreement;
- (v) Seller (or the party with whom Seller contracts pursuant to Section 3.5(e)) has established all requisite ISO-NE-related accounts and entered into all requisite ISO-NE-related agreements required for the performance of Seller's obligations in connection with the Facility and this Agreement, which agreements shall be in full force and effect, including the registration of the Facility in the GIS;
- (vi) Seller has provided to Buyer I.3.9 Confirmation from ISO-NE regarding approval of generation entry, has submitted the Generator Asset Registration Form (as defined in ISO-NE Practices) for the Facility to ISO-NE and has taken such other actions as are necessary to effect the Delivery of the Energy and other wholesale market components to Buyer in the ISO-NE Settlement;
- (vii) Seller has successfully completed all pre-operational testing and commissioning in accordance with manufacturer guidelines;
- (viii) Seller has satisfied all Critical Milestones that precede the Commercial Operation Date in Section 3.1;

- (ix) no Default or Event of Default by Seller shall have occurred and remain uncured;
- (x) the Facility is owned or leased by, and under the care, custody and control of, Seller;
- (xi) Seller has delivered to Buyer:
  - (A) an Independent Engineer's stamped certification stating (i) that the Facility has been completed in all material respects (excepting punchlist items that do not materially and adversely affect the ability of the Facility to operate as intended hereunder) in accordance with this Agreement, and (ii) the Actual Facility Size; and
  - (B) certificates of insurance evidencing the coverages required under Section 3.5(i); and
  - (C) the Operating Period Security; and
- (xii) Seller has demonstrated that it can reliably transmit real-time data and measurements to ISO-NE.

### 3.5 Operation of the Facility.

(a) Compliance with Utility Requirements. Seller shall comply with, and shall cause the Facility to comply with Good Utility Practice and all applicable rules, procedures, operating policies, criteria, guidelines and requirements imposed by ISO-NE, any Transmission Provider, any Interconnecting Utility, NERC and/or any regional reliability entity, including, in each case, all practices, requirements, rules, procedures and standards related to Seller's construction, ownership, operation and maintenance of the Facility and its performance of its obligations under this Agreement (including obligations related to the generation, Scheduling, interconnection, and transmission of Energy, and the transfer of other Products), whether such requirements were imposed prior to or after the Effective Date. Seller shall be solely responsible for registering as the "Generator Owner" and "Generator Operator" of the Facility with NERC and any applicable regional reliability entities, as applicable.

(b) Permits. Seller shall maintain or cause to be maintained in full force and effect all Permits necessary for it to perform its obligations under this Agreement, including all Permits necessary to construct, operate and maintain the Facility.

(c) Maintenance and Operation of Facility. Seller shall, at all times during the Term, construct, maintain and operate the Facility in accordance with Good Utility Practice and in accordance with Exhibit A to this Agreement. Seller shall bear all costs related thereto. Seller may contract with other Persons to provide construction, operation and maintenance functions, so long as Seller maintains overall control over the construction, operation and maintenance of the Facility throughout the Term.

(d) Interconnection Agreement. Seller shall comply with the terms and conditions of the Interconnection Agreement and shall be responsible for obtaining interconnection of the Facility at the Interconnection Point at a level that is capable of satisfying both the Network Capability Interconnection Standard and the Capacity Capability Interconnection Standard under the ISO-NE Rules.

(e) ISO-NE Status. Seller shall, at all times during the Services Term, either: (i) be an ISO-NE “Market Participant” pursuant to the ISO-NE Rules; or (ii) have entered into an agreement with a Market Participant that shall perform all of Seller’s ISO-NE-related obligations in connection with the Facility and this Agreement.

(f) Forecasts. Commencing at least thirty (30) days prior to the anticipated Commercial Operation Date and continuing throughout the Term, Seller shall update and deliver to Buyer on an annual basis and in a form reasonably acceptable to Buyer, twelve (12) month rolling forecasts of Energy production by the Facility, which forecasts shall be prepared in good faith and in accordance with Good Utility Practice based on historical performance, maintenance schedules, Seller’s generation projections and other relevant data and considerations. Any notable changes from prior forecasts or historical energy delivery shall be noted and an explanation provided. The provisions of this section are in addition to Seller’s requirements under ISO-NE Rules and ISO-NE Practices, including ISO-NE Operating Procedure No. 5.

(g) RPS Class I Renewable Generation Unit. Subject to Section 4.7(b), Seller shall be solely responsible at Seller’s cost for qualifying the Facility as a RPS Class I Renewable Generation Unit and maintaining such qualification throughout the Services Term. Seller shall take all actions necessary to register for and maintain participation in the GIS to register, monitor, track, and transfer RECs. Seller shall provide such additional information as Buyer may request relating to such qualification and participation and the registration, monitoring, tracking and transfer of the Facility’s RECs.

(h) Compliance and Outage Reporting. Within thirty (30) days following the end of each calendar quarter, Seller shall provide Buyer information pertaining to emissions, fuel types, labor information and any other information to the extent required by Buyer to comply with the disclosure requirements contained under applicable Law and any other such disclosure regulations which may be imposed upon Buyer during the Term, which information requirements will be provided to Seller by Buyer at least fifteen (15) days before the beginning of the calendar quarter for which the information is required. To the extent Buyer is subject to any other certification or compliance reporting requirement with respect to the Products produced by Seller and delivered to Buyer hereunder, Seller shall provide any information accessible to Seller as requested by Buyer to permit Buyer to comply with any such requirements. In addition, Seller shall promptly notify Buyer of any unplanned outage or significant limit on the production capability of the Facility, or impairment on the ability of the Seller to Deliver the Products, that extends for a period of seventy-two (72) hours or more, and Seller shall provide such updates regarding any such events as Buyer may request.

(i) Insurance. Throughout the Term, and without limiting any liabilities or any other obligations of Seller hereunder, Seller shall secure and continuously carry with an insurance company or companies rated not lower than “A-” by the A.M. Best Company (or any

successor thereto) the insurance coverage and with the deductibles that are customary for a generating facility of the type and size of the Facility and as otherwise legally required. Upon the execution of this Agreement, and at each subsequent policy renewal date thereafter, Seller shall provide Buyer with a certificate of insurance which (i) shall include Buyer as an additional insured on each policy, (ii) shall not include the legend “certificate is not evidence of coverage” or any statement with similar effect, if such evidence of insurance is not issued on a standard ACORD form, (iii) shall evidence a firm obligation of the insurer to provide Buyer with thirty (30) days prior written notice of cancellation or non-renewal of coverage (for coverage modifications that may adversely affect Buyer, Seller shall provide Buyer with thirty (30) days prior written notice), and (iv) shall be endorsed by a Person who has authority to bind the insurer. If any coverage is written on a “claims-made” basis, the certification accompanying the policy shall conspicuously state that the policy is “claims made.”

(j) Contacts. Each Party shall identify a principal contact or contacts, which contact(s) shall have adequate authority and expertise to make day-to-day decisions with respect to the administration of this Agreement.

(k) Compliance with Law. Without limiting the generality of any other provision of this Agreement, Seller shall be responsible for complying with all applicable requirements of Law, including all applicable rules, procedures, operating policies, criteria, guidelines and requirements imposed by FERC and any other Governmental Entity, whether imposed pursuant to existing Law or procedures or pursuant to changes enacted or implemented during the Term, including all risks of operational and environmental matters relating to the Facility or the Facility site. Seller shall indemnify Buyer against any and all claims arising out of or related to such environmental matters and against any costs imposed on Buyer as a result of Seller’s violation of any applicable Law, or ISO-NE or NERC requirements. For the avoidance of doubt, Seller shall be responsible for procuring, at its expense, all Permits and governmental approvals required for the construction and operation of the Facility in compliance with applicable requirements of Law.

(l) FERC Status and Other Program Benefits. Seller shall be responsible for ensuring that it is in compliance with all FERC directives and requirements necessary for Seller to fulfill its obligations under this Agreement. As part of Seller’s satisfaction of this responsibility, it shall maintain the Facility’s status as a QF or EWG (to the extent Seller meets the criteria for such status) at all times on and after the Commercial Operation Date and shall obtain and maintain any requisite authority to sell the output of the Facility at market-based rates, including market-based rate authority to the extent applicable. If Seller certifies the Facility as a QF, for so long as this Agreement is in effect, Seller waives, and agrees not to assert: (i) any rights Seller may have to require Buyer to purchase or transmit electric power or to pay a specified price for electric power by virtue of the status of the Facility as a QF, (ii) any right or claim to, or receipt of, Other Program Benefits.

(m) Emissions. Seller shall be responsible for all costs associated with the Facility’s emissions, including the cost of procuring emission reductions, offsets, allowances or similar items associated with the Facility’s emissions, to the extent required to operate the Facility. Without limiting the generality of the foregoing, failure or inability of Seller to procure

emission reductions, offsets, allowances or similar items associated with the Facility's emissions shall not constitute a Force Majeure.

(n) Maintenance. No later than (a) the Commercial Operation Date and (b) two (2) months prior to the end of each calendar year thereafter during the Term, Seller shall submit to Buyer a schedule of planned maintenance for the following calendar year for the Facility. Throughout the Term, Seller shall coordinate all planned maintenance with ISO-NE, consistent with ISO-NE Rules, and shall promptly provide applicable information concerning scheduled outages, as determined by ISO-NE, to Buyer. To maximize the value of the Products, to the extent possible and consistent with ISO-NE Rules, Seller shall not schedule maintenance of the Facility during the months of December, January and February or June through September, and shall operate the Facility so as to maximize energy production during the hours of anticipated peak load and Energy prices in New England; provided, however, that planned maintenance may be scheduled during such period to the extent the failure to perform such planned maintenance is contrary to operation of the Facility in accordance with Good Utility Practice.

### 3.6 Interconnection and Delivery Services.

(a) Seller shall be responsible for all costs associated with Network Upgrades, including, but not limited to, interconnection of the Facility at the Interconnection Point at a level that is capable of satisfying both the Network Capability Interconnection Standard and the Capacity Capability Interconnection Standard under the ISO-NE Rules (including the construction of those facilities described in Exhibit E), consistent with all standards and requirements set forth by the FERC, ISO-NE, any other applicable Governmental Entity and the Interconnecting Utility. Seller shall be responsible for procuring delivery service to and at the Delivery Point and all costs associated with it.

(b) Seller shall defend, indemnify and hold Buyer harmless against any and all liabilities, fees, costs and expenses, including but not limited to reasonable attorneys' fees arising due to Seller's performance or failure to perform under the Interconnection Agreement or any agreement for delivery service associated with Seller's performance of its obligations under this Agreement.

## 4. **DELIVERY OF PRODUCTS**

### 4.1 Obligation to Sell and Purchase Products.

(a) Beginning on the Commercial Operation Date and subject to Section 4.1(b) and 4.2(a), Seller shall sell and Deliver, and Buyer shall purchase and receive all right, title and interest in and to, Buyer's Percentage Entitlement of the Products in accordance with the terms and conditions of this Agreement. The aforementioned obligations for Seller to sell and Deliver the Products and for Buyer to purchase and receive the same are Unit Contingent. Seller agrees that Seller will not curtail or otherwise reduce deliveries of the Products in order to sell such Products to other purchasers. To maximize the value of the Products, to the extent possible and consistent with ISO-NE Rules and Good Utility Practice, Seller shall use commercially

reasonable efforts to maximize the production and Delivery of Energy during the time periods of anticipated peak load and peak Energy prices in New England.

(b) Buyer shall not be obligated to accept or pay for any REC or comparable certificate, credit, attribute or other similar product produced by or associated with the Facility which fails to satisfy the RPS as an Environmental Attribute associated with the specified MWh of generation from a RPS Class I Renewable Generation Unit, and, to the extent that Buyer does not purchase any such REC or comparable certificate, credit, attribute or other similar product associated with the Facility, Seller may, in its sole discretion, sell, transfer or otherwise dispose of that REC or comparable certificate, credit, attribute or other similar product. In the event that the Buyer notifies Seller that it will not purchase any REC or comparable certificate, credit, attribute or other similar product produced by the Facility which fails to satisfy the RPS as an Environmental Attribute associated with the specified MWh of generation from a RPS Class I Renewable Generation Unit, then Buyer may resume purchasing such RECs or comparable certificates, credits, attributes or other similar products produced by the Facility upon thirty (30) days' prior written notice to Seller, unless otherwise agreed by Buyer and Seller.

(c) Seller shall Deliver Buyer's Percentage Entitlement of the Products produced by or associated with the Facility, up to and including the Contract Maximum Amount, exclusively to Buyer, and Seller shall not sell, divert, grant, transfer or assign such Products or any right, claim, certificate or other attribute associated with such Products to any Person other than Buyer during the Term. Seller shall not enter into any agreement or arrangement under which such Buyer's Percentage Entitlement of the Products can be claimed by any Person other than Buyer. Buyer shall have the exclusive right to resell or convey the Products in its sole discretion.

(d) To the extent that Seller receives any payment or other consideration for any Environmental Attributes to be purchased under this Agreement directly from any other Person, Seller shall hold such payment or other consideration in trust for the benefit of Buyer and shall promptly remit such payment or other consideration to Buyer in the form so received, or if not transferrable in such form, in the cash equivalent of such form.

#### 4.2 Scheduling and Delivery.

(a) During the Services Term and in accordance with Section 4.1, Seller shall Schedule and Deliver Energy and other Products hereunder with ISO-NE in accordance with this Agreement and all ISO-NE Practices and ISO-NE Rules. Seller shall transfer the Energy to Buyer in the Day-Ahead Energy Market or Real-Time Energy Market, as reasonably agreed from time to time by Buyer and Seller and consistent with ISO-NE Rules and ISO-NE Practices at the time and Buyer shall have no obligation to pay for any Energy not transferred to Buyer in the Day-Ahead Energy Market or Real-Time Energy Market or for which Buyer is not credited in the ISO-NE Settlement (including, without limitation, as a result of an outage on any electric transmission system). Notwithstanding any other provision of this Agreement, if during the Term of this Agreement the LMP at the Delivery Point is negative, or, in the reasonable opinion of Seller, is likely to become negative, then Seller may deliver to Buyer a written notice stating that such condition has occurred or is likely to occur and the period during which such condition has occurred or is likely to occur. Buyer and Seller hereby agree that in such event Seller shall

be under no obligation to schedule or Deliver Energy to the Delivery Point during such period; provided, however, Buyer shall remain entitled to any other wholesale market components applicable to such period. Seller shall provide Buyer with detailed information, including but not limited to, the start and stop times of such periods of curtailment under this Section 4.2(a) as well as the quantity curtailed, for all such periods of non-delivery during the preceding calendar month which information shall be provided prior to Seller's delivery of the invoice to Buyer.

(b) The Parties agree to use commercially reasonable efforts to comply with all applicable ISO-NE Rules and ISO-NE Practices in connection with the Scheduling and Delivery of Energy and other Products hereunder. Penalties or similar charges assessed by a Transmission Provider and caused by Seller's noncompliance with the Scheduling obligations set forth in this Section 4.2 shall be the responsibility of Seller.

(c) Without limiting the generality of this Section 4.2, Seller or the party with whom Seller contracts pursuant to Section 3.5(e) shall at all times during the Services Term be designated with ISO-NE as the "Lead Market Participant" (or any successor designation) for the Facility and shall be solely responsible for any obligations and liabilities imposed by NERC, the Interconnecting Utility, ISO-NE or under the ISO-NE Rules and ISO-NE Practices with respect to the Facility, including all charges, penalties, financial assurance obligations, losses, transmission charges, ancillary service charges, line losses, congestion charges and other ISO-NE or applicable system costs or charges associated with distribution and transmission. To the extent Buyer incurs such costs, charges, penalties or losses which are the responsibility of Seller, (including amounts not credited to Buyer as described in Section 4.2(a)), Seller shall reimburse Buyer for the same.

(d) Settlement in the ISO-NE energy market system will occur when Energy and other wholesale market components are supplied into Buyer's ISO-NE Settlement account. For Energy, this settlement will occur at the ISO-NE pricing node ("pnode") for the Facility established in accordance with ISO-NE Rules. The Delivery Point is the ISO-NE Pool Transmission Facilities ("PTF") in the vicinity of the referenced pnode. Seller shall be responsible for all charges, fees and losses required for Delivery of Products including the Delivery of Energy from the Facility to the Delivery Point, including but not limited to (1) all non-PTF and/or distribution system losses, (2) all transmission and/or distribution interconnection charges associated with the Facility, and (3) the cost of Delivery of Energy and other Products to the Delivery Point, including all related administrative fees and non-PTF and/or distribution wheeling charges. In addition, Seller shall also be responsible to apply for and schedule all such services.

**4.3 Failure of Seller to Deliver Products.** In the event that Seller fails to satisfy any of its obligations to Deliver any of the Products or any portion of the Products hereunder in accordance with Section 4.1, Section 4.2 and Section 4.7, and such failure is not excused under the express terms of this Agreement (a "Delivery Failure"), Seller shall pay Buyer an amount for such Delivery Failure equal to the Cover Damages for such Delivery Failure. Such payment shall be due no later than the date for Buyer's payment for the applicable month as set forth in Section 5.2 hereof. Each Party agrees and acknowledges that (i) the damages that Buyer would incur due to a Delivery Failure would be difficult or impossible to predict with certainty, and (ii) it is impractical and difficult to assess actual damages in the circumstances stated, and therefore

the Cover Damages as agreed to by the Parties and set forth herein is a fair and reasonable calculation of such damages.

**4.4     Failure by Buyer to Accept Delivery of Products.** If Buyer fails to accept all or part of any of the Products to be purchased by Buyer hereunder, and such failure to accept (a) is not the result of Reliability Curtailment or (b) is not otherwise excused under the terms of this Agreement (a “**Rejected Purchase**”), then Buyer shall pay Seller, on the date payment would otherwise be due in respect of the month in which the failure occurred, an amount for such Rejected Purchase equal to the Resale Damages. Each Party agrees and acknowledges that (i) the damages that Seller would incur due to a Rejected Purchase would be difficult or impossible to predict with certainty, and (ii) it is impractical and difficult to assess actual damages in the circumstances stated, and therefore the Resale Damages as agreed to by the Parties and set forth herein is a fair and reasonable calculation of such damages.

**4.5     Delivery Point.**

(a)     All Energy shall be Delivered hereunder by Seller to Buyer at the Delivery Point. Seller shall be responsible for the costs of delivering its Energy to the Delivery Point consistent with all standards and requirements set forth by the FERC, ISO-NE, and any other applicable Governmental Entity or applicable tariff.

(b)     Seller shall be responsible for all applicable charges associated with distribution or transmission interconnection, service and delivery charges, including all related ISO-NE administrative fees, uplift, socialized charges, all costs for Network Upgrades, and all other charges in connection with the satisfaction of Seller’s obligations hereunder, including without limitation the Delivery of Energy to and at the Delivery Point. Seller shall indemnify and hold harmless Buyer for any such charges, fees, costs or expenses imposed upon Buyer by operation of ISO-NE Rules or otherwise in connection with Seller’s performance of its obligations hereunder.

(c)     Buyer shall be responsible for all applicable charges associated with transmission and delivery of Energy after the Delivery Point, provided that Buyer shall have no responsibility or liability for any Network Upgrades or the cost of constructing or upgrading any other transmission or distribution facilities.

**4.6     Metering.**

(a)     **Metering.** All electric metering associated with the Facility, including the Facility meter and any other real-time meters, billing meters and back-up meters (collectively, the “**Meters**”), shall be installed, operated, maintained and tested at Seller’s expense in accordance with Good Utility Practice and any applicable requirements and standards issued by NERC, the Interconnecting Utility, and ISO-NE; provided that each Meter shall be tested at Seller’s expense once each Contract Year. All Meters used to provide data for the computation of payments shall be sealed and Seller shall break the seal only when such Meters are to be inspected and tested (or adjusted) in accordance with this Section 4.6. Seller shall provide Buyer with a copy of all metering and calibration information and documents regarding the Meters promptly following receipt thereof by Seller.

(b) Measurements. Readings of the Meters at the Facility by the Interconnecting Utility in whose territory the Facility is located (or an independent Person mutually acceptable to the Parties) shall be conclusive as to the amount of Energy generated by the Facility; provided however, that Seller, upon request of Buyer and at Buyer's expense (if more frequently than annually as provided for in Section 4.6(a)), shall cause the Meters to be tested by the Interconnecting Utility in whose territory the Facility is located, and if any Meter is out of service or is determined to be registering inaccurately by more than two percent (2%), (i) the measurement of Energy produced by the Facility shall be adjusted as far back as can reasonably be ascertained, but in no event shall such period exceed six (6) months from the date that such inaccuracy was discovered, in accordance with the filed tariff of such Interconnecting Utility or the ISO-NE Tariff, whichever is applicable, and any adjustment shall be reflected in the next invoice provided by Seller to Buyer hereunder and (ii) Seller shall reimburse Buyer for the cost of such test of the Meters. Meter readings shall be adjusted to take into account the losses to Deliver the Energy to the Delivery Point. Seller shall make recorded meter data available monthly to the Buyer at no cost.

(c) Inspection, Testing and Calibration. Buyer shall have the right to inspect and test (at its own expense) any of the Meters at the Facility at reasonable times and upon reasonable notice from Buyer to Seller. Buyer shall have the right to have a representative present during any testing or calibration of the Meters at the Facility by Seller. Seller shall provide Buyer with timely notice of any such testing or calibration.

(d) Audit of Meters. Buyer shall have access to the Meters and the right to audit all information and test data related to such Meters.

(e) Notice of Malfunction. Seller shall provide Buyer with prompt notice of any malfunction or other failure of the Meters or other telemetry equipment necessary to accurately report the quantity of Energy being produced by the Facility. If any Meter is found to be inaccurate by more than two percent (2%), the meter readings shall be adjusted as far back as can reasonably be ascertained, but in no event shall such period exceed six (6) months from the date that such inaccuracy was discovered, and any adjustment shall be reflected in the next invoice provided by Seller to Buyer hereunder.

(f) Telemetry. The Meters shall be capable of sending meter telemetry data, and Seller shall provide Buyer with simultaneous access to such data at no additional cost to Buyer. This provision is in addition to Seller's requirements under ISO-NE Rules and Practices, including ISO-NE Operating Procedure No. 18

#### 4.7 RECs.

(a) Seller shall transfer to Buyer all of the right, title and interest in and to Buyer's Percentage Entitlement of the Facility's Environmental Attributes, including any and all RECs, generated by, or associated with, the Facility during the Services Term in accordance with the terms of this Section 4.7.

(b) Regarding the RPS:

- (i) Except as provided in Section 4.7(b)(ii) below, all Energy provided by Seller to Buyer from the Facility under this Agreement shall meet the requirements for eligibility pursuant to the RPS, and Seller's failure to satisfy such requirements shall constitute an Event of Default pursuant to Section 9.2 (j) of this Agreement; and
- (ii) It shall not be an Event of Default under Article 9 if, solely as a result of change in Law, Energy provided by Seller to Buyer from the Facility under this Agreement no longer meets the requirements for eligibility pursuant to the RPS, provided Seller promptly uses commercially reasonable efforts to ensure that qualification will continue after the change in Law. If, notwithstanding such commercially reasonable efforts and solely as a result of change in Law, the Facility does not qualify as a RPS Class I Renewable Generation Unit, then (A) Seller shall continue to sell, and Buyer shall continue to purchase Energy and other wholesale market components under this Agreement at the Price for such Energy in accordance with Section 5.1 and (B) any purchases and sales of RECs shall be in accordance with Section 4.1(b).

(c) At Seller's sole cost, Seller shall also obtain and maintain throughout the Services Term qualification as a RPS Class I generation resource under the renewable portfolio standard or similar law of the New England states of Maine, Massachusetts, New Hampshire, and Rhode Island, to the extent the renewable energy technology used in the Facility is eligible under such renewable portfolio standard or similar law. At Buyer's request and at Seller's sole cost, Seller shall also obtain qualification under the renewable portfolio standard or similar law of New York and/or any federal renewable energy standard, to the extent the renewable energy technology used in the Facility is eligible under such renewable portfolio standard, renewable energy standard or similar law, and Seller shall use commercially reasonable efforts, consistent with Good Utility Practice, to maintain such qualifications at all times during the Services Term unless otherwise agreed by Buyer. Seller shall also submit to Buyer or as directed by Buyer any information required by any state or federal agency with regard to administration of its rules regarding Environmental Attributes or its renewable energy standard or renewable portfolio standard or Seller's qualification under the foregoing.

(d) Seller shall comply with all GIS Operating Rules, including without limitation such Rules relating to the creation, tracking, recording and transfer of all RECs to be purchased by Buyer under this Agreement. In addition, at Buyer's request, Seller shall register with and comply with the rules and requirements of any other tracking system or program that tracks, monetizes or otherwise creates or enhances value for Environmental Attributes, which compliance shall be at Seller's sole cost if such registration and compliance is requested in connection with Section 4.7(c) above and shall be at Buyer's sole cost in other instances.

(e) Prior to the delivery of any Energy hereunder, either (i) Seller shall cause Buyer to be registered in the GIS as the initial owner of all Certificates to be Delivered hereunder to Buyer or (ii) Seller and Buyer shall effect an irrevocable Forward Certificate Transfer (as

defined in the GIS Operating Rules) of the Certificates to be Delivered hereunder to Buyer in the GIS for the Services Term; provided, however, that no payment shall be due to Seller for any RECs until the Certificates are actually deposited in Buyer's GIS account or a GIS account designated by Buyer to Seller in writing.

(f) The Parties intend for the transactions entered into hereunder to be physically settled, meaning that the RECs are intended to be Delivered in the GIS account of Buyer or its designee as set forth in this Section 4.7.

4.8 Test Period. Buyer shall have no obligation to receive or purchase any Products during the Test Period, and Seller shall have the right to sell all Products generated during the Test Period to other parties.

## 5. **PRICE AND PAYMENTS FOR PRODUCTS**

5.1 Price for Products. All Products Delivered to Buyer in accordance with this Agreement shall be purchased by Buyer at the Price specified in Exhibit D; provided, however, that if the RECs fail to satisfy the RPS as an Environmental Attribute associated with the specified MWh of generation from a RPS Class I Renewable Generation Unit and Buyer does not purchase the RECs pursuant to Section 4.1(b), then all Energy Delivered to Buyer in accordance with this Agreement shall be purchased by Buyer at the Price for Energy only, as specified in Exhibit D. Other than the (i) payment for the Products under this Section 5.1, (ii) payments related to Meter testing under Section 4.6(b), (iii) payments related to Meter malfunctions under Section 4.6(e), (iv) payment any Resale Damages under Section 4.4, (v) payment of interest on late payments under Section 5.3, (vi) payments for reimbursement of Buyer's Taxes under Section 5.4(a), (vii) return of any Credit Support under Section 6.3, and (viii) payment of any Termination Payment due from Buyer under Section 9.3, Buyer shall not be required to make any other payments to Seller under this Agreement, and Seller shall be solely responsible for all costs and losses incurred by it in connection with the performance of its obligations under this Agreement. In the event that the LMP for the Energy at the Delivery Point is less than \$0.00 per MWh in any hour, Seller shall credit to Buyer, on the appropriate monthly invoice, an amount equal to the product of (i) such Energy delivered in such hour and (ii) the absolute value of the hourly LMP at the Delivery Point, as provided in Exhibit D.

### 5.2 Payment and Netting.

(a) Billing Period. The calendar month shall be the standard period for all charges and payments under this Agreement. On or before the fifteenth (15th) day following the end of each month, Seller shall render to Buyer an invoice for the payment obligations incurred hereunder during the preceding month, based on the Energy Delivered in the preceding month, and any RECs deposited in Buyer's GIS account or a GIS account designated by Buyer to Seller in writing in the preceding month. Such invoice shall contain supporting detail for all charges reflected on the invoice, and Seller shall provide Buyer with additional supporting documentation and information as Buyer may request.

(b) Timeliness of Payment. All undisputed charges shall be due and payable in accordance with each Party's invoice instructions on or before the later of (x) fifteen (15) days

from receipt of the applicable invoice or (y) the last day of the calendar month in which the applicable invoice was received (or in either event the next Business Day if such day is not a Business Day). Each Party shall make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the other Party. Any undisputed amounts not paid by the due date shall be deemed delinquent and shall accrue interest at the Late Payment Rate, such interest to be calculated from and including the due date to, but excluding, the date the delinquent amount is paid in full.

(c) Disputes and Adjustments of Invoices.

(i) All invoices rendered under this Agreement shall be subject to adjustment after the end of each month in order to true-up charges based on changes resulting from ISO-NE billing statements or revisions, if any, to previous ISO-NE billing statements. If ISO-NE settles any invoice which relates to the Products sold under this Agreement and (a) any charges thereunder are the responsibility of the other Party under this Agreement or (b) any credits issued thereunder would be due to the other Party under this Agreement, then the Party receiving the invoice from ISO-NE shall in the case of (a) above invoice the other Party or in the case of (b) above pay the amount due to the other Party. Any invoices issued or amounts due pursuant to this Section shall be invoiced or paid as provided in this Section 5.2.

(ii) Within twelve (12) months of the issuance of an invoice the Seller shall adjust any invoice for any arithmetic or computational error and shall provide documentation and information supporting such adjustment to Buyer. Within twenty-four (24) months of the receipt of an invoice (or an adjusted invoice), the Buyer may dispute any charges on that invoice. In the event of such a dispute, the Buyer shall give notice to the Seller and shall state the basis for the dispute. Payment of the disputed amount shall not be required until the dispute is resolved. Upon resolution of the dispute, any required payment or refund shall be made within ten (10) days of such resolution along with interest accrued at the Late Payment Rate from and including the due date (or in the case of a refund, the payment date) but excluding the date paid. Any claim for additional payment is waived unless the Seller issues an adjusted invoice within twelve (12) months of issuance of the original invoice. Any dispute of charges is waived unless the Buyer provides notice of the dispute to the Seller within twenty-four (24) months of receipt of the invoice (or adjusted invoice) including such charges.

(d) Netting of Payments. The Parties hereby agree that they may discharge mutual debts and payment obligations due and owing to each other under this Agreement on the same date through netting of such monetary obligations, in which case all amounts owed by each

Party to the other Party for the purchase and sale of Products during the monthly billing period under this Agreement, including any related damages calculated pursuant to this Agreement, interest, and payments or credits, may be netted so that only the excess amount remaining due shall be paid by the Party who owes it. If no mutual debts or payment obligations exist and only one Party owes a debt or obligation to the other during the monthly billing period, such Party shall pay such sum in full when due. The Parties agree to provide each other with reasonable detail of such net payment or net payment request.

5.3 Interest on Late Payment or Refund. A late payment charge shall accrue on any late payment or refund as specified above at the lesser of (a) the prime rate specified in the "Money & Investing" section of The Wall Street Journal (or, if such rate is not published therein, in a successor index mutually selected by the Parties) plus 1% per cent, and (b) the maximum rate permitted by applicable Law in transactions involving entities having the same characteristics as the Parties (the "Late Payment Rate").

5.4 Taxes, Fees and Levies.

(a) Seller shall be obligated to pay all present and future taxes, fees and levies, imposed on or associated with the Facility or Delivery or sale of the Products ("Seller's Taxes"). Buyer shall be obligated to pay all present and future taxes, fees and levies, imposed on or associated with such Products after Delivery of such Products to Buyer, or imposed on or associated with the purchase of such Products by Buyer (other than ad valorem, franchise or income taxes which are related to the sale of the Products and are, therefore, the responsibility of Seller) ("Buyer's Taxes"). In the event Seller shall be required by law or regulation to remit or pay any Buyer's Taxes, Buyer shall reimburse Seller for such payment. In the event Buyer shall be required by law or regulation to remit or pay any Seller's Taxes, Seller shall reimburse Buyer for such payment, and Buyer may also elect to deduct any of the amount of any such Seller's Taxes from the amount due to Seller under Section 5.2. Buyer shall have the right to all credits, deductions and other benefits associated with taxes paid by Buyer or reimbursed to Seller by Buyer as described herein. Nothing shall obligate or cause a Party to pay or be liable to pay any taxes, fees and levies for which it is exempt under law.

(b) Seller shall bear all risks, financial and otherwise, throughout the Term, associated with Seller's or the Facility's eligibility to receive any federal or state tax credits, to qualify for accelerated depreciation for Seller's accounting, reporting or tax purposes, or to receive any other favorable tax or accounting right or benefit, or any grant or subsidy from a Governmental Entity or other Person. Seller's obligations under this Agreement shall be effective regardless of whether the Facility is eligible for or receives, or the transactions contemplated under this Agreement are eligible for or receives, any federal or state tax credits, grants or other subsidies or any particular accounting, reporting or tax treatment.

6. **SECURITY FOR PERFORMANCE**

6.1 Seller's Support.

(a) Seller shall be required to post Credit Support in the amount of **[\$80,000.00 per MWh per hour of Contract Maximum Amount – *Dollar amount will be***

*calculated based on Contract Maximum Amount and inserted into final contract.]*<sup>2</sup> to secure Seller's obligations under this Agreement in the period between the Effective Date and the Commercial Operation Date ("**Development Period Security**"). The Development Period Security shall be provided to Buyer on the Effective Date. If at any time, the amount of Development Period Security is reduced as a result of Buyer's draw upon such Development Period Security to less than the amount of Development Period Security required to be provided by Seller, within five (5) Business Days of that draw Seller shall replenish such Development Period Security to the amount of Development Period Security required to be provided by Seller through the period ending fifteen (15) days after receipt of the Regulatory Approval. Buyer shall return any undrawn amount of the Development Period Security to Seller within thirty (30) days after the later of (x) Buyer's receipt of an undisputed notice from Seller that the Commercial Operation Date has occurred or (y) Buyer's receipt of the full amount of the Operating Period Security (except to the extent that Development Period Security is converted into Operating Period Security as provided in Section 6.1(b)).

(b) Beginning not later than ten (10) days following the Commercial Operation Date, Seller shall provide Buyer with Credit Support to secure Seller's obligations under this Agreement after the Commercial Operation Date through and including the date that all of Seller's obligations under this Agreement are satisfied ("**Operating Period Security**"). The Operating Period Security shall be an amount equal to **\$40,000.00 per MWh per hour of Contract Maximum Amount**, as adjusted in accordance with Section 3.3(b). If at any time on or after the Commercial Operation Date, the amount of Operating Period Security is reduced as a result of Buyer's draw upon such Operating Period Security, within five (5) Business Days of that draw Seller shall replenish such Operating Period Security to the total amount required under this Section 6.1(b).

(c) If Seller fails to provide or replenish Credit Support in accordance with this Article 6 to Buyer within five (5) Business Days of receipt of notice, then an Event of Default under Section 9.2 shall be deemed to have occurred and Buyer shall be entitled to the remedies set forth in Section 9.3 of this Agreement.

6.2 **Return of Credit Support**. Any unused Credit Support provided under this Agreement shall be returned to Seller only after any such Credit Support has been used to satisfy any outstanding obligations of Seller in existence at the time of the expiration or termination of this Agreement.

6.3 **Buyer's Rights and Remedies**. If at any time an Event of Default with respect to Seller has occurred and is continuing, then, unless Seller has paid in full all of its obligations hereunder that are then due, without limiting any other rights and remedies Buyer may have under this Agreement or otherwise at law or in equity, Buyer may exercise one or more of the following rights and remedies: (i) all rights and remedies available to a secured party under

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<sup>2</sup> Where a Seller or its affiliate has previously defaulted on a PPA prior to COD or agreed to terminate a PPA prior to COD, or has a contract and has previously indicated that absent an increase in price the Seller or its affiliate may terminate, this amount will be increased to \$120,000 per MWh per hour of Contract Maximum Amount.

applicable Law with respect to Credit Support held by Buyer, and (ii) the right to liquidate any Credit Support held by Buyer and to apply the proceeds of such liquidation to any amounts payable to Buyer with respect to Seller's obligations hereunder in such order as Buyer may elect. For the purpose of this Section 6.4, Buyer may draw on the undrawn portion of any Letter of Credit provided as Credit Support up to the amount of Seller's outstanding obligations hereunder. Seller shall remain liable for amounts due and owed to Buyer that remain unpaid after the application of Credit Support pursuant to this Section 6.3.

## 7. REPRESENTATIONS, WARRANTIES, COVENANTS AND ACKNOWLEDGEMENTS

7.1 Representations and Warranties of Buyer. Buyer hereby represents and warrants to Seller as follows:

(a) Organization and Good Standing; Power and Authority. Buyer is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Connecticut. Subject to the receipt of the Regulatory Approval, Buyer has all requisite power and authority to execute, deliver, and perform its obligations under this Agreement.

(b) Due Authorization; No Conflicts. The execution and delivery by Buyer of this Agreement, and the performance by Buyer of its obligations hereunder, have been duly authorized by all necessary actions on the part of Buyer and do not and, under existing facts and Law, shall not: (i) contravene its certificate of incorporation or any other governing documents; (ii) conflict with, result in a breach of, or constitute a default under any note, bond, mortgage, indenture, deed of trust, license, contract or other agreement to which it is a party or by which any of its properties may be bound or affected; (iii) subject to receipt of the Regulatory Approval, violate any order, writ, injunction, decree, judgment, award, statute, law, rule, regulation or ordinance of any Governmental Entity or agency applicable to it or any of its properties; or (iv) result in the creation of any lien, charge or encumbrance upon any of its properties pursuant to any of the foregoing.

(c) Binding Agreement. This Agreement has been duly executed and delivered on behalf of Buyer and, assuming the due execution hereof and performance hereunder by Seller and receipt of the Regulatory Approval, constitutes a legal, valid and binding obligation of Buyer, enforceable against it in accordance with its terms, except as such enforceability may be limited by law or principles of equity.

(d) No Proceedings. As of the Effective Date, except to the extent relating to the Regulatory Approval, there are no actions, suits or other proceedings, at law or in equity, by or before any Governmental Entity or agency or any other body pending or, to the best of its knowledge, threatened against or affecting Buyer or any of its properties (including, without limitation, this Agreement) which relate in any manner to this Agreement or any transaction contemplated hereby, or which Buyer reasonably expects to lead to a material adverse effect on (i) the validity or enforceability of this Agreement or (ii) Buyer's ability to perform its obligations under this Agreement.

(e) Consents and Approvals. Except to the extent associated with the Regulatory Approval, the execution, delivery and performance by Buyer of its obligations under this Agreement do not and, under existing facts and Law, shall not, require any Permit or any other action by, any Person which has not been duly obtained, made or taken or that shall be duly obtained, made or taken on or prior to the date required, and all such approvals, consents, permits, licenses, authorizations, filings, registrations and actions are in full force and effect, final and non-appealable as required under applicable Law.

(f) Negotiations. The terms and provisions of this Agreement are the result of arm's length and good faith negotiations on the part of Buyer and equal bargaining power of the Parties. No principle of law or equity regarding construing ambiguities in this Agreement against the drafting Party shall apply.

(g) Bankruptcy. There are no bankruptcy, insolvency, reorganization, receivership or other such proceedings pending against or being contemplated by Buyer, or, to Buyer's knowledge, threatened against it.

(h) No Default. No Default or Event of Default has occurred and is continuing and no Default or Event of Default shall occur as a result of the performance by Buyer of its obligations under this Agreement.

7.2 Representations and Warranties of Seller. Seller hereby represents and warrants to Buyer as of the Effective Date as follows:

(a) Organization and Good Standing; Power and Authority. Seller is a [redacted], duly formed, validly existing and in good standing under the laws of [redacted]. Subject to the receipt of the Permits listed in Exhibit B, Seller has all requisite power and authority to execute, deliver, and perform its obligations under this Agreement.

(b) Authority. Seller (i) has the power and authority to own and operate its businesses and properties, to own or lease the property it occupies and to conduct the business in which it is currently engaged; (ii) is duly qualified and in good standing under the laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification; and (iii) holds, or shall hold at the time required, all rights and entitlements necessary to construct, own and operate the Facility and to deliver the Products to the Buyer in accordance with this Agreement.

(c) Due Authorization; No Conflicts. The execution and delivery by Seller of this Agreement, and the performance by Seller of its obligations hereunder, have been duly authorized by all necessary actions on the part of Seller and do not and, under existing facts and Law, shall not: (i) contravene any of its governing documents; (ii) conflict with, result in a breach of, or constitute a default under any note, bond, mortgage, indenture, deed of trust, license, contract or other agreement to which it is a party or by which any of its properties may be bound or affected; (iii) assuming receipt of the Permits listed on Exhibit B, violate any order, writ, injunction, decree, judgment, award, statute, law, rule, regulation or ordinance of any Governmental Entity or agency applicable to it or any of its properties; or (iv) result in the creation of any lien, charge or encumbrance upon any of its properties pursuant to any of the

foregoing. Seller is, or shall be by the Commercial Operation Date, qualified to perform as a Market Participant under the ISO-NE Tariff, or is qualified to transact through another Market Participant under the ISO-NE Tariff. Seller will not be disqualified from or be materially adversely affected in the performance of any of its obligations under this Agreement by reason of market power or affiliate transaction issues under federal or state regulatory requirements.

(d) Binding Agreement. This Agreement has been duly executed and delivered on behalf of Seller and, assuming the due execution hereof and performance hereunder by Buyer and receipt of the Permits listed on Exhibit B, constitutes a legal, valid and binding obligation of Seller, enforceable against it in accordance with its terms, except as such enforceability may be limited by law or principles of equity.

(e) No Proceedings. Except to the extent associated with the Permits listed on Exhibit B, there are no actions, suits or other proceedings, at law or in equity, by or before any Governmental Entity or agency or any other body pending or, to the best of its knowledge, threatened against or affecting Seller or any of its properties (including, without limitation, this Agreement) which relate in any manner to this Agreement or any transaction contemplated hereby, or which Seller reasonably expects to lead to a material adverse effect on (i) the validity or enforceability of this Agreement or (ii) Seller's ability to perform its obligations under this Agreement.

(f) Consents and Approvals. Subject to the receipt of the Permits listed on Exhibit B on or prior to the date such Permits are required under applicable Law, the execution, delivery and performance by Seller of its obligations under this Agreement do not and, under existing facts and Law, shall not, require any Permit or any other action by, any Person which has not been duly obtained, made or taken, and all such approvals, consents, permits, licenses, authorizations, filings, registrations and actions are in full force and effect, final and non-appealable. To Seller's knowledge, Seller shall be able to receive the Permits listed in Exhibit B in due course and as required under applicable Law to the extent that those Permits have not previously been received.

(g) RPS Class I Renewable Generation Unit. The Facility shall be a RPS Class I Renewable Generation Unit, qualified by the PURA as eligible to participate in the RPS program, under Conn. Gen. Stat. Section 16-245a (subject to Section 4.7(b) in the event of a change in Law affecting such qualification as a RPS Class I Renewable Generation Unit) and shall have a Commercial Operation Date, as verified by the Buyer.

(h) Title to Products. Seller has and shall have good and marketable title to all Products sold and Delivered to Buyer under this Agreement, free and clear of all liens, charges and encumbrances. Seller has not sold and shall not sell any such Products to any other Person, and no Person other than Seller can claim an interest in any Product to be sold to Buyer under this Agreement.

(i) Negotiations. The terms and provisions of this Agreement are the result of arm's length and good faith negotiations on the part of Seller and equal bargaining power of the Parties. No principle of law or equity regarding construing ambiguities in this Agreement against the drafting Party shall apply.

(j) Bankruptcy. There are no bankruptcy, insolvency, reorganization, receivership or other such proceedings pending against or being contemplated by Seller, or, to Seller's knowledge, threatened against it.

(k) No Misrepresentations. The reports and other submittals by Seller to Buyer under this Agreement are not false or misleading in any material respect.

(l) No Default. No Default or Event of Default has occurred and is continuing and no Default or Event of Default shall occur as a result of the performance by Seller of its obligations under this Agreement.

(m) Site Control. Seller (i) holds a federal lease for an offshore wind energy generation site adequate to construct, own, maintain and operate the Facility, and Seller reasonably expects such lease to remain in full force and effect through the end of the Service Term; and (ii) has either (a) acquired all real property rights to construct and operate the Facility, to interconnect the Facility to the Interconnecting Utility, to construct the Network Upgrades (to the extent it is Seller's responsibility to do so) and to perform Seller's obligations under this Agreement or (b) has an irrevocable option, through the end of the Services Term, to acquire such other real property rights and the only condition upon Seller's exercise of such option to acquire such real property rights is the payment of an amount that represents the fair market value of such real property rights.

(n) Other Program Benefits. Seller has not claimed or received any Other Program Benefits.

(o) Interconnection Agreement. No Default or Event of Default has occurred under the Interconnection Agreement.

7.3 Continuing Nature of Representations and Warranties. The representations and warranties set forth in this Article are made as of the Effective Date and deemed made continually throughout the Term, subject to the removal of the references to the Regulatory Approval and Permits as and when the Regulatory Approval and Permits are obtained. If at any time during the Term, a Party has knowledge of any event or information which causes any of the representations and warranties in this Article 7 to be untrue or misleading, such Party shall provide the other Party with prompt written notice of the event or information, the representations and warranties affected, and the corrective action such Party shall take. The notice required pursuant to this Section 7.3 shall be given as soon as practicable after the occurrence of each such event.

#### 7.4 Forward Capacity Market Participation.

(a) Seller shall participate in ISO-NE's Forward Capacity Auction Qualification ("FCAQ") process for, and take all other necessary and appropriate actions to qualify for, the Forward Capacity Auction ("FCA") for the first full Capacity Commitment Period during the Services Term with a summer Seasonal Claimed Capability and a winter Seasonal Claimed Capability in each case not less than the respective maximum Seasonal Claimed Capabilities as determined by ISO-NE for Seller's project as described in the Bid, including qualifying the Seasonal Claimed Capabilities described in the Bid for Capacity

Capability Interconnection Standard interconnection. Notwithstanding the above, actual Seller participation in any FCA or obtaining a Capacity Supply Obligation (“CSO”) shall not be required, but may be pursued at the option of Seller. Seller will provide Buyer with copies of all technical reports and studies provided to and/or by ISO-NE as part of the FCAQ process for the Facility, as described in this Section 7.4, at the same time when those materials are provided to and/or by ISO-NE. Seller shall use commercially reasonable efforts, consistent with Good Utility Practice, to maximize the summer and winter Seasonal Claimed Capabilities for the Facility consistent with the technical reports and studies provided to and/or by ISO-NE and with the Bid. Seller will provide Buyer with written notice of the summer and winter Seasonal Claimed Capabilities for the Facility and the Network Upgrades required to satisfy both the Network Capability Interconnection Standard and the Capacity Capability Interconnection Standard at the Interconnection Point at those Seasonal Claimed Capabilities within fifteen (15) days after the determination thereof by ISO-NE.

(b) *[To be included in PPAs for those selected bids that provide for participation in FCM; otherwise this provision will be deleted in the execution version PPA]*  
Seller agrees to use best efforts to obtain and maintain a CSO in every auction applicable to the Services Term for the entire quantity of capacity for which the Facility is eligible. For avoidance of doubt, Seller shall take all required actions to so preserve the full CSO, and shall not permit or agree to any reduction or elimination of the Facility’s CSO. Seller agrees to use best efforts to qualify and participate in FCM auction activity, including, but not limited to, annual FCA so as to maximize the amount of capacity the Facility provides in the FCM. If despite such best efforts the Seller is unsuccessful in obtaining a CSO for the entire quantity available to be offered in any annual FCA, then Seller agrees to pursue such remaining quantity in substitution auctions. If Seller, despite its best efforts, is not successful in obtaining a CSO for the entire quantity available to be offered in either the annual FCA or the substitution auction, Seller agrees to pursue a CSO for the remaining quantity available to be offered first in the annual reconfiguration auctions, and if unsuccessful in the annual reconfiguration auctions, in the monthly reconfiguration auctions. Seller agrees to use best efforts to obtain and/or maintain a CSO for the entire quantity available to be offered into the FCM throughout the Term and Seller agrees to not withdraw or reduce such participation or positions taken. Seller shall provide documentation to the Buyer demonstrating the satisfaction of the foregoing obligations. For the avoidance of doubt, any revenues or other amounts received by or on behalf of Seller as a result of Seller’s participation in the FCA and the FCM shall be solely for Seller’s account and Buyer shall not be entitled to any such amounts. As of the Effective Date, the Seller has qualified for and participated in FCM auction(s) activity, and Seller agrees to not withdraw or reduce such participation or positions taken as of the Effective Date. Seller shall provide documentation to the Buyer demonstrating the satisfaction of the foregoing obligations.

## 8. REGULATORY APPROVAL

8.1 Receipt of Regulatory Approval. The obligations of the Parties to perform this Agreement, other than the Parties’ obligations under Section 6.1 and Article 12, are conditioned upon and shall not become effective or binding until the receipt of the Regulatory Approval. Buyer shall notify Seller within ten (10) Business Days after receipt of the Regulatory Approval or receipt of an order of the PURA regarding this Agreement that does not satisfy all of the requirements of the Regulatory Approval. This Agreement may be terminated by either Buyer or

Seller in the event that Regulatory Approval is not received within one hundred and twenty (120) days after filing, without liability as a result of such termination, subject to the return of Credit Support as provided in Section 6.2.

## 9. BREACHES; REMEDIES

9.1 Events of Default by Either Party. It shall constitute an event of default (“**Event of Default**”) by either Party hereunder if:

(a) Representation or Warranty. Any breach of any representation or warranty of such Party set forth herein, or in filings or reports made pursuant to this Agreement occurs where such breach is not fully cured and corrected within thirty (30) days after the Non-Defaulting Party has provided written notice to the Defaulting Party; or

(b) Payment Obligations. Any undisputed payment due and payable hereunder is not made on the date due (“**Payment Default**”), and such failure continues for more than ten (10) Business Days after notice thereof is given by the Non-Defaulting Party to the Defaulting Party; or

(c) Other Covenants. Other than:

- (i) a Delivery Failure of ten (10) continuous days or more, which is addressed in Section 9.2(h),
- (ii) failure of the Facility to achieve the Commercial Operation Date by the Guaranteed Commercial Operation Date,
- (iii) a failure to maintain the RPS eligibility requirements set forth in Section 4.7(b) due to a change in Law,
- (iv) a Rejected Purchase, or
- (v) an Event of Default described in Section 9.1(a), 9.1(b), 9.1(d) or 9.2, such Party fails to perform, observe or otherwise to comply with any obligation hereunder and such failure continues for more than thirty (30) days after notice thereof is given by the Non-Defaulting Party to the Defaulting Party; provided, however, that such period shall be extended for an additional period of up to thirty (30) days if, despite using commercially reasonable efforts, the Defaulting Party is unable to cure within the initial thirty (30) day period so long as such cure is diligently pursued by the Defaulting Party until such Default has been corrected, but in any event shall be cured within sixty (60) days of the notice from the Non-Defaulting Party; or

(d) Bankruptcy. Such Party (i) is adjudged bankrupt or files a petition in voluntary bankruptcy under any provision of any bankruptcy law or consents to the filing of any bankruptcy or reorganization petition against such Party under any such law, or (without limiting

the generality of the foregoing) files a petition to reorganize pursuant to 11 U.S.C. § 101 or any similar statute applicable to such Party, as now or hereinafter in effect, (ii) makes an assignment for the benefit of creditors, or admits in writing an inability to pay its debts generally as they become due, or consents to the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of such Party, or (iii) is subject to an order of a court of competent jurisdiction appointing a receiver or liquidator or custodian or trustee of such Party or of a major part of such Party's property, which is not dismissed within sixty (60) days ("Bankruptcy Default").

9.2 Events of Default by Seller. In addition to the Events of Default described in Section 9.1, each of the following shall constitute an Event of Default by Seller hereunder:

(a) Taking of Facility Assets. Any asset of Seller that is material to the construction, operation or maintenance of the Facility or the performance of its obligations hereunder is taken upon execution or by other process of law directed against Seller, or any such asset is taken upon or subject to any attachment by any creditor of or claimant against Seller and such attachment is not disposed of within sixty (60) days after such attachment is levied; or

(b) Failure to Maintain Credit Support. The failure of Seller to provide, maintain and/or replenish the Development Period Security or the Operating Period Security as required pursuant to Article 6 of this Agreement, and such failure continues for more than five (5) Business Days after Buyer has provided written notice thereof to Seller. For the avoidance of doubt, it shall be deemed an Event of Default if Seller provides Credit Support in the form of a Letter of Credit and, with respect to an outstanding Letter of Credit, one of the following events occurs with respect to the issuer of such Letter of Credit: (i) such issuer shall fail to be a Qualified Bank; (ii) such issuer shall fail to comply with or perform its obligations under such Letter of Credit; or (iii) such issuer shall disaffirm, disclaim, repudiate or reject, in whole or in part, or challenge the validity of, such Letter of Credit, and such failure disaffirmation, disclaimation, repudiation or rejection continues for more than five (5) Business Days after Buyer has provided written notice thereof to Seller; or

(c) Energy Output. The failure of the Facility to produce Energy for twelve (12) consecutive months during the Services Term for any reason, other than due to a Force Majeure; or

(d) Failure to Satisfy ISO-NE Obligations. The failure of Seller to satisfy, or cause to be satisfied (other than by Buyer), any material obligation under the ISO-NE Rules or ISO-NE Practices or any other obligation with respect to ISO-NE and such failure has an adverse effect on the Facility or Seller's ability to perform its obligations under this Agreement or on Buyer or Buyer's rights or ability to receive the benefits under this Agreement; provided, however, if Seller's failure to satisfy any obligation under the ISO-NE Rules or ISO-NE Practices does not have an adverse effect on Buyer or Buyer's ability to receive the benefits under this Agreement, Seller shall have the opportunity to cure such failure within thirty (30) days of its occurrence; or

(e) Failure to Meet Critical Milestones. The failure of Seller to satisfy any Critical Milestone by the date set forth therefor in Section 3.1(a), as the same may be extended in accordance with Section 3.1(c), 3.1(d), or Section 10.1; or

(f) Abandonment. On or after the Commercial Operation Date, the permanent relinquishment by Seller of all of its possession and control of the Facility, other than a transfer permitted under this Agreement; or

(g) Assignment. The assignment of this Agreement by Seller, or Seller's sale or transfer of its interest (or any part thereof) in the Facility, except as permitted in accordance with Article 14; or

(h) Recurring Delivery Failure. A Delivery Failure of ten (10) continuous days or more; or

(i) Failure to Provide Status Reports. A failure to provide timely, accurate and complete status reports in accordance with this Agreement, and such failure continues for more than thirty (30) days after notice thereof is given by the Buyer; or

(j) Failure to Maintain RPS Eligibility. A failure to maintain RPS eligibility requirements set forth in Section 4.7(b); or

(k) Permit Compliance. Such Party fails to obtain and maintain or cause to be obtained and maintained in full force and effect any Permit (other than the Regulatory Approval) necessary for such Party to perform its obligations under this Agreement where such failure is not fully cured and corrected within thirty (30) days after such Party has knowledge of such failure; provided, however, that such period shall be extended for an additional period of up to forty-five (45) days if such Party is unable to cure within the initial thirty (30) day period so long as such cure is diligently pursued by such Party until such Default has been corrected, but in any event shall be cured within seventy-five (75) days of such Party's knowledge of such Default.

(l) Failure to Support Regulatory Approval Application. A failure to take such actions as requested by Buyer to support the application for Regulatory Approval, including without limitation any actions reasonably requested by Buyer with respect to any appeal of the PURA order or a final written order of PURA regarding this Agreement that does not satisfy all of the requirements of the Regulatory Approval (except that the final written order may remain subject to appeal or rehearing), as provided in Section 8.1.

### 9.3 Remedies.

(a) Suspension of Performance and Remedies at Law. Upon the occurrence and during the continuance of an Event of Default, the Non-Defaulting Party shall have the right, but not the obligation, to (i) withhold any payments due the Defaulting Party under this Agreement, (ii) suspend its performance hereunder, and (iii) exercise such other remedies as provided for in this Agreement including, without limitation, the termination right set forth in Section 9.3(b), and, to the extent not inconsistent with the terms of this Agreement, such remedies available at law and in equity, including, but not limited to, drawing on the Credit Support. In addition to the foregoing, except for breaches for which an express remedy or

measure of damages is provided herein, the Non-Defaulting Party shall retain its right of specific performance to enforce the Defaulting Party's obligations under this Agreement.

(b) Termination and Termination Payment. Upon the occurrence of an Event of Default, a Non-Defaulting Party may terminate this Agreement at its sole discretion by providing written notice of such termination to the Defaulting Party. If the Non-Defaulting Party terminates this Agreement, it shall be entitled to calculate and receive as its sole remedy for such Event of Default a "**Termination Payment**" as follows:

- (i) *Termination by Buyer Prior to Commercial Operation Date.* If Buyer terminates this Agreement because of an Event of Default by Seller occurring prior to the Commercial Operation Date, the Termination Payment due to Buyer shall be equal to the sum of (x) all Delay Damages due and owing by Seller through the date of such termination plus (y) the full amount of the Development Period Security provided to Buyer by Seller.
- (ii) *Termination by Seller Prior to Commercial Operation Date.* If Seller terminates this Agreement because of an uncured Payment Default or a Bankruptcy Default by Buyer prior to the Commercial Operation Date, Seller shall only receive a Termination Payment if the Commercial Operation Date either occurs on or before the Guaranteed Commercial Operation Date or would have occurred by such date but for such uncured Payment Default or Bankruptcy Default by Buyer giving rise to the termination of this Agreement. In such case, (x) if Seller terminates this Agreement because of an uncured Payment Default or a Bankruptcy Default by Buyer prior to the Financial Closing Date, the Termination Payment due to Seller shall be equal to the lesser of: (i) Buyer's Percentage Entitlement of Seller's out-of-pocket expenses incurred in connection with the development and construction of the Facility prior to such termination and for which Seller has provided adequate documentation to enable Buyer to verify the expense claimed, or (ii) the Termination Payment due to Seller as calculated according to the methodology in Section 9.3(b)(iv), as if the Commercial Operation Date had occurred prior to the date of the termination by Seller; and (y) if Seller terminates this Agreement because of an uncured Payment Default or a Bankruptcy Default by Buyer on or after the Financial Closing Date, the Termination Payment due to Seller shall be calculated according to the methodology in Section 9.3(b)(iv), as if the Commercial Operation Date had occurred prior to the date of the termination by Seller.

All such amounts shall be determined by Seller in good faith and in a commercially reasonable manner, and Seller shall provide Buyer

with a reasonably detailed calculation of the Termination Payment due under this Section 9.3(b)(ii).

(iii) *Termination by Buyer On or After Commercial Operation Date.* If Buyer terminates this Agreement because of an Event of Default by Seller occurring on or after the Commercial Operation Date, the Termination Payment due to Buyer shall be equal to the greater of: (i) the security required to be provided in accordance with Article 6, or (ii) the amount, if positive, calculated according to the following formula: (x) the present value, discounted at a rate equal to the prime rate specified in the “Money & Investing” section of *The Wall Street Journal* determined as of the date of the notice of Event of Default, if applicable, or the Event of Default if no notice is applicable, plus 300 basis points, for each month remaining in the Services Term, of (A) the amount, if, any, by which the forward market price of Energy and Renewable Energy Certificates, as determined by Buyer based on the average of the quotes of at least two nationally recognized energy consulting firms or brokers chosen by Buyer, for Replacement Energy and Replacement RECs, exceeds the applicable Price that would have been paid pursuant to Exhibit D of this Agreement, multiplied by (B) Buyer’s Percentage Entitlement of the projected Energy output of the Facility as determined by a recognized third party expert selected by Buyer, using a probability of exceedance basis of 50%; plus, any costs and losses incurred by Buyer as a result of the Event of Default and termination of the Agreement.

All such amounts shall be determined by Buyer in good faith and in a commercially reasonable manner, and Buyer shall provide Seller with a reasonably detailed calculation of the Termination Payment due under this Section 9.3(b)(iii).

(iv) *Termination by Seller On or After Commercial Operation Date.* If Seller terminates this Agreement because of an uncured Payment Default or Bankruptcy Default by Buyer occurring on or after the Commercial Operation Date, the Termination Payment due to Seller shall be equal to the amount, if positive, calculated according to the following formula: (x) the present value, discounted at a rate equal to the prime rate specified in the “Money & Investing” section of *The Wall Street Journal* determined as of the date of the notice of the Payment Default or the date of Bankruptcy Default, as the case may be, plus 300 basis points, for each month remaining in the Services Term, of (i) the amount, if, any, by which the applicable Price that would have been paid pursuant to Exhibit D of this Agreement, exceeds the forward market price of Energy and Renewable Energy Certificates as determined by Seller based on the average of the quotes of at least

two nationally recognized energy consulting firms or brokers chosen by Seller, for Replacement Energy and Replacement RECs, multiplied by (ii) Buyer's Percentage Entitlement of the projected Energy output of the Facility as determined by a recognized third party expert selected by Seller using a probability of exceedance basis of 50%; plus, (y) any costs and losses incurred by Seller as a result of such uncured Payment Default or Bankruptcy Default and termination of the Agreement.

All such amounts shall be determined by Seller in good faith and in a commercially reasonable manner, and Seller shall provide Buyer with a reasonably detailed calculation of the Termination Payment due under this Section 9.3(b)(iv).

- (v) *Acceptability of Liquidated Damages.* Each Party agrees and acknowledges that (i) the damages and losses (including without limitation the loss of environmental, reliability and economic benefits contemplated under this Agreement) that the Parties would incur due to an Event of Default would be difficult or impossible to predict with certainty, and (ii) it is impractical and difficult to assess actual damages in the circumstances stated, and therefore the Termination Payment as agreed to by the Parties and set forth herein is a fair and reasonable calculation of such damages.
- (vi) *Payment of Termination Payment.* The Defaulting Party shall make the Termination Payment within ten (10) Business Days after receipt of the detailed calculation of the Termination Payment, regardless of whether the Termination Payment calculation is disputed. If the Defaulting Party disputes the Non-Defaulting Party's calculation of the Termination Payment, in whole or in part, the Defaulting Party shall within ten (10) Business Days of receipt of the calculation of the Termination Payment, provide to the Non-Defaulting Party a detailed written explanation of the basis for such dispute. If the Parties are unable to resolve the dispute within thirty (30) days, Article 11 shall apply.

(c) Set-off. The Non-Defaulting Party shall be entitled, at its option and in its discretion, to withhold and set off any amounts owed by the Non-Defaulting Party to the Defaulting Party against any payments and any other amounts owed by the Defaulting Party to the Non-Defaulting Party, including any Termination Payment payable as a result of any early termination of this Agreement.

(d) Notice to Lenders. Seller may provide Buyer with a notice identifying no more than a single Lender (if any) to whom notices of Default are to be issued. Buyer shall provide a copy of any notice of Default provided by Buyer to Seller under this Article 9 to such Lender, and Buyer shall afford such Lender the same opportunities to cure Events of Default under this Agreement as are provided to Seller hereunder.

(e) Limitation of Remedies, Liability and Damages. EXCEPT AS EXPRESSLY SET FORTH HEREIN, THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN, THE OBLIGOR'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY, SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY HEREIN PROVIDED, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

## 10. FORCE MAJEURE

### 10.1 Force Majeure.

(a) The term "**Force Majeure**" means an unusual, unexpected and significant event: (i) that was not within the control of the Party claiming its occurrence; (ii) that could not have been prevented or avoided by such Party through the exercise of reasonable diligence; and (iii) that directly prohibits or prevents such Party from performing its obligations under this Agreement. Under no circumstances shall Force Majeure include (v) any full or partial curtailment in the electric output of the Facility that is caused by or arises from a mechanical or equipment breakdown or other mishap or events or conditions attributable to normal wear and tear or flaws, unless such curtailment or mishap is caused by one of the following: acts of God such as floods, hurricanes or tornados; sabotage; terrorism; or war, (w) any occurrence or event that merely increases the costs or causes an economic hardship to a Party, (x) any occurrence or event that was caused by or contributed to by the Party claiming the Force Majeure, (y) Seller's ability to sell the Products at a price greater than that set out in this Agreement, or (z) Buyer's ability to procure the Products at a price lower than that set out in this Agreement. In addition, a delay or inability to perform attributable to a Party's lack of preparation, a Party's failure to timely obtain and maintain all necessary Permits (excepting the Regulatory Approval) or qualifications, any delay or failure in satisfying the Critical Milestone obligations specified in Section 3.1(a)(iii) (Permits), Section 3.1(a)(vi) (engineering, procurement and construction contract) or Section 3.1(a)(vii) (Financing), or Section 3.1(a) (iv) (the execution of the

Interconnection Agreement), or a failure to satisfy contractual conditions or commitments, or lack of or deficiency in funding or other resources shall each not constitute a Force Majeure or be the basis for a claim of Force Majeure. Neither Party may raise a claim of Force Majeure based in whole or in part on curtailment by a Transmission Provider unless (i) such Party has contracted for firm transmission with a Transmission Provider for the Products to be delivered to or received at the Delivery Point and (ii) such curtailment is due to “force majeure” or “uncontrollable force” or a similar term as defined under the Transmission Provider’s tariff; provided, however, that existence of the foregoing factors shall not be sufficient to conclusively or presumptively prove the existence of a Force Majeure absent a showing of other facts and circumstances which in the aggregate with such factors establish that a Force Majeure as defined herein has occurred.

(b) Subject to Section 3.1(d), if either Party is unable, wholly or in part, by Force Majeure to perform obligations under this Agreement, such performance shall be excused and suspended so long as the circumstances that give rise to such inability exist or for such shorter term as would have existed if the Party claiming the Force Majeure had used commercially reasonable efforts to cure such circumstances, but for no longer period. The Party whose performance is affected shall give prompt notice thereof; such notice may be given orally or in writing but, if given orally, it shall be promptly confirmed in writing, providing details regarding the nature, extent and expected duration of the Force Majeure, its anticipated effect on the ability of such Party to perform obligations under this Agreement, and the estimated duration of any interruption in service or other adverse effects resulting from such Force Majeure, and shall be updated or supplemented to keep the other Party advised of the effect and remedial measures being undertaken to overcome the Force Majeure. Such inability shall be promptly corrected to the extent it may be corrected through the exercise of due diligence. Neither party shall be liable for any losses or damages arising out of a suspension of performance that occurs because of Force Majeure.

(c) Notwithstanding the foregoing, if the Force Majeure prevents full or partial performance under this Agreement for a period of twelve (12) months or more, the Party whose performance is not prevented by Force Majeure shall have the right to terminate this Agreement upon written notice to the other Party and without further recourse. In no event will any delay or failure of performance caused by any conditions or events of Force Majeure extend this Agreement beyond its stated Term.

## 11. DISPUTE RESOLUTION

11.1 Dispute Resolution. In the event of any dispute, controversy or claim between the Parties arising out of or relating to this Agreement (collectively, a “**Dispute**”), in addition to any other remedies provided hereunder, the Parties shall attempt to resolve such Dispute through consultations between the Parties. If the Dispute has not been resolved within thirty (30) Business Days after such consultations between the Parties, then either Party may seek to resolve such Dispute in the courts of the State of Connecticut; provided, however, if the Dispute is subject to FERC’s jurisdiction over wholesale power contracts, then either Party may elect to either: (i) file a complaint with FERC seeking resolution of the dispute; or (2) proceed with the mediation through FERC’s Dispute Resolution Service; provided, however, that if one Party fails to participate in the negotiations as provided in this Section 11.1, the other Party can initiate

mediation prior to the expiration of the thirty (30) Business Days. Unless otherwise agreed, the Parties will select a mediator from the FERC panel. The procedure specified herein shall be the sole and exclusive procedure for the resolution of Disputes. To the fullest extent permitted by law, any mediation proceeding and any settlement shall be maintained in confidence by the Parties.

11.2 Allocation of Dispute Costs. The fees and expenses associated with mediation shall be divided equally between the Parties, and each Party shall be responsible for its own legal fees, including but not limited to attorney fees, associated with any Dispute. The Parties may, by written agreement signed by both Parties, alter any time deadline, location(s) for meeting(s), or procedure outlined herein or in FERC's rules for mediation.

11.3 Consent to Jurisdiction. Subject to Section 11.1, the Parties agree to the exclusive jurisdiction of the state and federal courts located in the State of Connecticut for any legal proceedings that may be brought by a Party arising out of or in connection with any Dispute that is not subject to the exclusive jurisdiction of FERC.

11.4 Waiver of Jury Trial and Inconvenient Forum Claim. EACH PARTY HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF, RESULTING FROM OR IN ANY WAY RELATING TO THIS AGREEMENT. BOTH PARTIES IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION THAT THEY MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE AS SET FORTH IN THIS ARTICLE 11 AND ANY CLAIM THAT ANY SUCH PROCEEDING HAS BEEN BROUGHT IN ANY INCONVENIENT FORUM.

## 12. CONFIDENTIALITY

12.1 Nondisclosure. Buyer and Seller each agrees not to disclose to any Person and to keep confidential, and to cause and instruct its Affiliates, officers, directors, employees, partners and representatives not to disclose to any Person and to keep confidential, any non-public information relating to the terms and provisions of this Agreement, and any information relating to the Products to be supplied by Seller hereunder, and such other non-public information that is designated as "Confidential." Notwithstanding the foregoing, any such information may be disclosed:

(a) to the extent Buyer determines it is appropriate in connection with filings with Governmental Entities, including efforts to obtain or maintain the Regulatory Approval or to seek rate recovery for amounts expended by Buyer under this Agreement;

(b) as required by applicable laws, regulations, filing requirements, rules or orders or by any subpoena or similar legal process of any Governmental Entity so long as the receiving Party gives the non-disclosing Party written notice at least three (3) Business Days prior to such disclosure, if practicable;

(c) to the Affiliates of either Party and to the consultants, contractors, suppliers, service providers, attorneys, auditors, financial advisors, lenders or potential lenders

and their advisors of either Party or their Affiliates, but solely to the extent they have a need to know that information;

(d) in order to comply with any rule or regulation of ISO-NE, any stock exchange or similar Person or for financial disclosure purposes;

(e) to the extent the non-disclosing Party shall have consented in writing prior to any such disclosure; and

(f) to the extent that the information was previously made publicly available other than as a result of a breach of this Section 12.1;

provided, however, in each case, that the Party seeking such disclosure shall, to the extent practicable, use commercially reasonable efforts to prevent or limit the disclosure. The Parties shall be entitled to all remedies available at law or in equity to enforce or seek relief in connection with this Section 12.1.

**12.2 Public Statements.** No public statement, press release or other voluntary publication regarding this Agreement or the transactions to be made hereunder shall be made or issued without the prior consent of the other Party.

### **13. INDEMNIFICATION**

**13.1 Indemnification Obligations.** Seller shall indemnify, defend and hold Buyer and its partners, shareholders, directors, officers, employees and agents (including, but not limited to, Affiliates and contractors and their employees), harmless from and against all liabilities, damages, losses, penalties, claims, demands, suits and proceedings of any nature whatsoever arising from or related to Seller's execution, delivery or performance of this Agreement, or Seller's negligence, gross negligence, or willful misconduct, or Seller's failure to satisfy any obligation or liability under this Agreement, or Seller's failure to satisfy any regulatory requirement or commitment associated with this Agreement.

**13.2 Failure to Defend.** If Seller fails to assume the defense of a claim meriting indemnification, Buyer may at the expense of Seller contest, settle or pay such claim, and Seller shall promptly reimburse Buyer for all costs incurred by Buyer associated therewith.

### **14. ASSIGNMENT AND CHANGE OF CONTROL**

**14.1 Prohibition on Assignments.** Except as permitted under this Article 14, this Agreement (and any portion thereof) may not be assigned by either Party without the prior written consent of the other Party, which consent may not be unreasonably withheld, conditioned or delayed. The Party requesting the other Party's consent to an assignment of this Agreement will reimburse such other Party for all "out of pocket" costs and expenses such other Party incurs in connection with that consent, without regard to whether such consent is provided. When assignable, this Agreement shall be binding upon, shall inure to the benefit of, and may be performed by, the successors and assignees of the Parties, except that no assignment, pledge or other transfer of this Agreement by either Party shall operate to release the assignor, pledgor, or transferor from any of its obligations under this Agreement (and shall not impair any Credit

Support given by Seller hereunder) unless the other Party (or its successors or assigns) consents in writing to the assignment, pledge or other transfer and expressly releases the assignor, pledgor, or transferor from its obligations thereunder.

**14.2 Permitted Assignment by Seller.** Buyer's consent shall not be required for Seller to pledge or assign the Facility, this Agreement or the revenues under this Agreement to any Lender as security for or in connection with any Financing of the Facility; provided, however, if Seller requests Buyer's consent to such an assignment, (i) Buyer shall provide that consent subject to Buyer's execution of a consent to assignment in a form acceptable to Buyer and Seller, and (ii) Seller will reimburse Buyer for all "out of pocket" costs and expenses Buyer incurs in connection with that consent, without regard to whether such consent is provided.

**14.3 Change in Control over Seller.** Buyer's consent shall be required for any change in Control over Seller, which consent shall not be unreasonably withheld, conditioned or delayed and shall be provided if Buyer reasonably determines that such change in Control does not have a material adverse effect on Seller's creditworthiness or Seller's ability to perform its obligations under this Agreement; provided, however, following the Commercial Operation Date, (a) a change of Control of the ultimate parent entity of Seller (defined under Section 7A of the Clayton Act, 15 U.S.C. § 18a, aka the Hart-Scott-Rodino Antitrust Improvements Act of 1976) shall not require the consent of Buyer; and (b) transactions among Affiliates of Seller, any corporate reorganization, merger, combination or similar transaction or transfer of assets or ownership interests involving Seller and its Affiliates shall not constitute a change in Control for purposes of this Section 14.3; provided further that, in each case, Seller provides written notice of such change to Buyer within thirty (30) days after such change.

**14.4 Permitted Assignment by Buyer.** Buyer shall have the right to assign this Agreement without consent of Seller (a) in connection with any merger or consolidation of the Buyer with or into another Person or any exchange of all of the common stock or other equity interests of Buyer or Buyer's parent for cash, securities or other property or any acquisition, reorganization, or other similar corporate transaction involving all or substantially all of the common stock or other equity interests in, or assets of, Buyer, or (b) to any substitute purchaser of the Products so long as in the case of either clause (a) or clause (b) of this Section 14.4, either (1) the proposed assignee's credit rating is at least either BBB- from S&P or Baa3 from Moody's or (2) the proposed assignee's credit rating is equal to or better than that of Buyer at the time of the proposed assignment, or (3) such assignment, or in the case of clause (a) above the transaction associated with such assignment, has been approved by the PURA or the appropriate Government Entity.

**14.5 Prohibited Assignments.** Any purported assignment of this Agreement not in compliance with the provisions of this Article 14 shall be null and void.

## **15. TITLE; RISK OF LOSS**

Title to and risk of loss related to Buyer's Percentage Entitlement of the Energy shall transfer from Seller to Buyer at the Delivery Point. Title and risk of loss related to Buyer's Percentage Entitlement of the RECs shall transfer to Buyer when the same are credited to Buyer's GIS account(s) or the GIS account(s) designated by Buyer to Seller in writing. Title and

risk of loss related to Buyer's Percentage Entitlement of Products other than Energy or RECs shall transfer to Buyer when the same are credited to Buyer's ISO-NE Settlement account. Seller warrants that it shall deliver to Buyer the Products free and clear of all liens and claims therein or thereto by any Person.

## **16. AUDIT**

16.1 Audit. Each Party shall have the right, upon reasonable advance notice, and at its sole expense (unless the other Party has defaulted under this Agreement, in which case the Defaulting Party shall bear the expense) and during normal working hours, to examine the records of the other Party to the extent reasonably necessary to verify the accuracy of any statement, charge or computation made pursuant to this Agreement. If requested, a Party shall provide to the other Party additional information documenting the quantities of Products delivered or provided hereunder. If any such examination reveals any overcharge, the necessary adjustments in such statement and the payments thereof shall be made promptly and shall include interest at the Late Payment Rate from the date the overpayment was made until credited or paid.

16.2 Access to Financial Information. Seller shall provide to Buyer within fifteen (15) days of receipt of Buyer's written request financial information and statements applicable to Seller as well as access to financial personnel, so that Buyer may address any inquiries relating to Seller's financial resources.

## **17. NOTICES**

Any notice or communication given pursuant hereto shall be in writing and (1) delivered personally (personally delivered notices shall be deemed given upon written acknowledgment of receipt after delivery to the address specified or upon refusal of receipt); or (2) mailed by registered or certified mail, postage prepaid (mailed notices shall be deemed given on the actual date of delivery, as set forth in the return receipt, or upon refusal of receipt); or (3) by reputable overnight courier; in each case addressed as follows or to such other addresses as may hereafter be designated by either Party to the other in writing:

If to Buyer: [ ]

With a copy to: [ ]

If to Seller: [ ]

With a copy to: [ ]

## **18. WAIVER AND MODIFICATION**

This Agreement may be amended and its provisions and the effects thereof waived only by a writing executed by the Parties, and no subsequent conduct of any Party or course of dealings between the Parties shall effect or be deemed to effect any such amendment or waiver. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a

waiver of any other provision hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided. The failure of either Party to enforce any provision of this Agreement shall not be construed as a waiver of or acquiescence in or to such provision. Buyer shall determine in its sole discretion whether any amendment or waiver of the provisions of this Agreement shall require Regulatory Approval or PURA filing and/or approval. If Buyer determines that any such approval or filing is required, then such amendment or waiver shall not become effective unless and until Regulatory Approval or such other approval is received, or such PURA filing is made and any requested PURA approval is received.

## **19. INTERPRETATION**

19.1 Choice of Law. Interpretation and performance of this Agreement shall be in accordance with, and shall be controlled by, the laws of the State of Connecticut (without regard to its principles of conflicts of law).

19.2 Headings. Article and Section headings are for convenience only and shall not affect the interpretation of this Agreement. References to articles, sections and exhibits are, unless the context otherwise requires, references to articles, sections and exhibits of this Agreement. The words “hereof” and “hereunder” shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

19.3 Forward Contract. The Parties acknowledge and agree that this Agreement and the transactions contemplated hereunder are a “forward contract” within the meaning of the United States Bankruptcy Code.

19.4 Standard of Review. The Parties acknowledge and agree that the standard of review for any avoidance, breach, rejection, termination or other cessation of performance of or changes to any portion of this integrated, non-severable Agreement (as described in Section 22) over which FERC has jurisdiction, whether proposed by Seller, by Buyer, by a non-party of, by FERC acting *sua sponte* shall be the “public interest” standard of review set forth in United Gas Pipe Line Co. v. Mobile Gas Serv. Co., 350 U.S. 332 (1956) and Federal Power Comm'n v. Sierra Pac. Power Co., 350 U.S. 348 (1956) as clarified by Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1 of Snohomish, 554 U.S. 527 (2008) and NRG Power Marketing, LLC v. Maine Pub. Util. Comm'n, 558 U.S. 165 (2010). Each Party agrees that if it seeks to amend any applicable power sales tariff during the Term, such amendment shall not in any way materially and adversely affect this Agreement without the prior written consent of the other Party. Each Party further agrees that it shall not assert, or defend itself, on the basis that any applicable tariff is inconsistent with this Agreement.

19.5 Change in ISO-NE Rules and Practices. This Agreement is subject to the ISO-NE Rules and ISO-NE Practices. If, during the Term of this Agreement, any ISO-NE Rule or ISO-NE Practice is terminated, modified or amended or is otherwise no longer applicable, resulting in a material alteration of a material right or obligation of a Party hereunder, the Parties agree to negotiate in good faith in an attempt to amend or clarify this Agreement to embody the Parties’ original intent regarding their respective rights and obligations under this Agreement, provided that neither Party shall have any obligation to agree to any particular amendment or clarification

of this Agreement. The intent of the Parties is that any such amendment or clarification reflect, as closely as possible, the intent, substance and effect of the ISO-NE Rule or ISO-NE Practice being replaced, modified, amended or made inapplicable as such ISO-NE Rule or ISO-NE Practice was in effect prior to such termination, modification, amendment, or inapplicability, provided that such amendment or clarification shall not in any event alter (i) the purchase and sale obligations of the Parties pursuant to this Agreement, or (ii) the Price.

**19.6 Dodd Frank Act Representations.** The Parties agree that this Agreement (including all transactions reflected herein) is not a “swap” within the meaning of the Commodity Exchange Act and the rules, interpretations and other guidance of the Commodity Futures Trading Commission (“**CFTC rules**”), and that the primary intent of this Agreement is physical settlement (i.e., actual transfer of ownership) of the nonfinancial commodity and not solely to transfer price risk. In reliance upon such agreement, each Party represents to the other that:

- (a) With respect to the commodity to be purchased and sold hereunder, it is a commercial market participant, a commercial entity and a commercial party, as such terms are used in the CFTC rules, and it is a producer, processor, or commercial user of, or a merchant handling, the commodity and it is entering into this Agreement for purposes related to its business as such;
- (b) It is not registered or required to be registered under the CFTC rules as a swap dealer or a major swap participant;
- (c) It has entered into this Agreement in connection with the conduct of its regular business and it has the capacity or ability to regularly make or take delivery of the commodity to be purchased and sold hereunder;
- (d) With respect to the commodity to be purchased and sold hereunder, it intends to make or take physical delivery of the commodity;
- (e) At the time that the Parties enter into this Agreement, any embedded volumetric optionality in this Agreement is primarily intended by the holder of such option or optionality to address physical factors or regulatory requirements that reasonably influence demand for, or supply of, the commodity to be purchased and sold hereunder;
- (f) With respect to any embedded commodity option in this Agreement, such option is intended to be physically settled so that, if exercised, the option would result in the sale of the commodity to be purchased or sold hereunder for immediate or deferred shipment or delivery;
- (g) The commodity to be purchased and sold hereunder is a nonfinancial commodity, and is also an exempt commodity or an agricultural commodity, as such terms are defined and interpreted in the CFTC rules.

To the extent that reporting of any transactions related to this Agreement is required by the CFTC rules, the Parties agree that Seller shall be responsible for such reporting (the “Reporting Party”). The Reporting Party’s reporting obligations shall continue until the reporting obligation

has expired or has been terminated in accordance with CFTC rules. The Buyer, as the Party that is not undertaking the reporting obligations shall timely provide the Reporting Party all necessary information requested by the Reporting Party for it to comply with CFTC rules.

19.7 Change in Law or Buyer's Accounting Treatment, Subsequent Judicial or Regulatory Action.

(a) If, during the Term of this Agreement, there is a change in Law or accounting standards or rules or a change in the interpretation or applicability thereof that would result in adverse balance sheet or creditworthiness impacts on Buyer associated with this Agreement or the amounts paid for Products purchased hereunder the Buyer shall prepare an amendment to this Agreement to avoid or mitigate such impacts. Buyer shall prepare such amendment in a manner that is designed to be limited to changes required to avoid or mitigate the adverse balance sheet or creditworthiness impact on Buyer. Buyer shall use commercially reasonable efforts to prepare such amendment in a manner that mitigates any material adverse effect(s) on Seller (as identified by Seller, acting reasonably) that could reasonably be expected to result from such amendment, but only to the extent that such mitigation can be accomplished in a manner that is consistent with the purpose of such amendment. Seller agrees to execute such amendment; provided that such amendment does not (unless Seller otherwise agrees) alter: (i) the purchase and sale obligations of the Parties pursuant to this Agreement, or (ii) the Price.

(b) Upon a determination by a court or regulatory body having jurisdiction (i) over this Agreement or any of the Parties hereto, or (ii) over the establishment and enforcement of any of the statutes or regulations or orders or actions of regulatory agencies (including the Department or PURA) supporting this Agreement or (iii) over the rights or obligations of the Parties hereunder that any of the statutes or regulations supporting this Agreement or the rights or obligations of the Parties hereunder, or orders or actions of regulatory agencies (including the Department or PURA) implementing such statutes or regulations, or this Agreement on its face or as applied, in the reasonable determination by a Party, violates any Law (including the State or Federal Constitution) (an "**Adverse Determination**"), each Party shall have the right to suspend performance under this Agreement without liability. Seller may deliver and sell Products to a third party during any period of time for which Buyer suspends payments or purchases under this Section 19.7(b).

Upon an Adverse Determination becoming final and non-appealable, Buyer shall make a good faith determination regarding whether the Adverse Determination does or may adversely affect the enforceability of any provision of this Agreement and/or Buyer's continued ability to recover all net costs incurred under this Agreement and the reasonable costs incurred in connection with this Agreement for the entire Term of this Agreement and whether such adverse effect(s) of the Adverse Determination can reasonably be mitigated by amending the Agreement in a manner that allows the Agreement to continue with modification. If, in Buyer's sole reasonable judgment, such adverse effect(s) of the Adverse Determination cannot be reasonably mitigated by amending the Agreement, either Party shall have the right to terminate the Agreement. If Buyer determines that such effect(s) can be so mitigated, it shall promptly prepare an amendment to this Agreement designed to be limited to changes required to avoid or mitigate such effect(s). Thereafter, Buyer and Seller shall negotiate the terms of such amendment in good

faith; provided, however, that neither Buyer nor Seller will be required to agree to any particular amendment. If Seller and Buyer cannot reach agreement on such amendment within sixty (60) days after Buyer delivers to Seller the first draft thereof, then either Party may terminate this Agreement by written notice to the other Party delivered within thirty (30) days after such sixty (60) day period. Upon a termination pursuant to this section, (I) Seller shall: (a) prepare a final invoice to Buyer for Products delivered to Buyer, which Buyer shall pay in the normal course pursuant to Section 5.2(b), and (b) have no further obligations or liabilities to Buyer, (II) Seller shall have the right to sell Products to third parties, and (III) neither Seller nor Buyer shall have any further obligations or liabilities to the other Party under this Agreement.

## **20. COUNTERPARTS; FACSIMILE SIGNATURES**

Any number of counterparts of this Agreement may be executed, and each shall have the same force and effect as an original. Facsimile signatures hereon or on any notice or other instrument delivered under this Agreement shall have the same force and effect as original signatures.

## **21. NO DUTY TO THIRD PARTIES**

Except as provided in any consent to assignment of this Agreement, nothing in this Agreement nor any action taken hereunder shall be construed to create any duty, liability or standard of care to any Person not a Party to this Agreement.

## **22. SEVERABILITY**

If any term or provision of this Agreement or the interpretation or application of any term or provision to any prior circumstance is held to be unenforceable, illegal or invalid by a court or agency of competent jurisdiction, the remainder of this Agreement and the interpretation or application of all other terms or provisions to Persons or circumstances other than those which are unenforceable, illegal or invalid shall not be affected thereby, and each term and provision shall be valid and be enforced to the fullest extent permitted by law so long as all essential terms and conditions of this Agreement for both Parties remain valid, binding and enforceable and have not been declared to be unenforceable, illegal or invalid by a Governmental Entity of competent jurisdiction. The Parties acknowledge and agree that essential terms and conditions of this Agreement for each Party include, without limitation, all pricing and payment terms and conditions of this Agreement, and that the essential terms and conditions of this Agreement for Buyer also include, without limitation, the terms and conditions of Section 19.6 of this Agreement.

## **23. INDEPENDENT CONTRACTOR**

Nothing in this Agreement shall be construed as creating any relationship between Buyer and Seller other than that of Seller as independent contractor for the sale of Products, and Buyer as principal and purchaser of the same. Neither Party shall be deemed to be the agent of the other Party for any purpose by reason of this Agreement, and no partnership or joint venture or fiduciary relationship between the Parties is intended to be created hereby. Nothing in this Agreement shall be construed as creating any relationship between Buyer and the Interconnecting Utility.

**24. ENTIRE AGREEMENT**

This Agreement shall constitute the entire agreement and understanding between the Parties hereto and shall supersede all prior agreements and communications.

[Signature page follows]

IN WITNESS WHEREOF, each of Buyer and Seller has caused this Agreement to be duly executed on its behalf as of the date first above written.

**[Buyer]**

By: \_\_\_\_\_

Name:

Title:

**[Seller]**

By: \_\_\_\_\_

Name:

Title:

**EXHIBIT A**

**DESCRIPTION OF FACILITY**

**Facility:** [Note to Bidder: Describe fully, including the location (street address and county or if there is none, longitude and latitude), the technology, fuel type and criteria for substantial completion of the Facility as specified by Seller in its response to the RFP. ]

**Proposed Facility Size:** (Nameplate capacity of the Facility as provided with bid, expressed in MWs (AC))

## EXHIBIT B

### SELLER'S CRITICAL MILESTONES, PERMITS AND REAL ESTATE RIGHTS

*In addition to listing critical milestones, please insert required permits/authorizations and real property rights in these tables for Exhibit B, inserted as per the examples below, including permits and real estate rights referenced in Seller's proposal as having been obtained, and those which are to be obtained.*

#### Sec. 3(a)(i)

Agency	Description of Permit/Authorization	Application Submitted	Date Expected	Obtained/Date
<u>Federal</u>				
<u>State</u>				
<u>Local</u>				

#### Sec. 3(a)(ii)

Owner	Agreement Type	Land Use	Acreage
John Doe	Option to Lease	Panels	50 acres
Jane Doe	Lease	Panels	25 acres
Town of	Easement	Interconnection Line	75 acres
Etc.			

[To be prepared to conform with the Critical Milestones referenced in Section 3.1(a)]

**EXHIBIT C**  
**FORM OF PROGRESS REPORT**

Seller Name:

Facility Name:

For the Quarter Ending: \_\_\_\_\_

Milestones Achieved:

Milestones Pending:

Status of Progress toward achievement of Milestones during the quarter:

Status of permitting and Permits obtained during the quarter:

Status of Financing for Facility:

Status of Interconnection and Network Upgrades:

Current projection for Financial Closing Date:

Under construction: No  Yes

Events expected to result in delays in achievement of any Milestones:

1. A PERT or GANTT chart showing the critical path schedule of major items and activities regarding the development, construction and startup of the Facility.
2. A summary of major activities during the previous quarter.
3. A description of major activities scheduled for the current quarter.

4. A description of the progress on achieving each Critical Milestone.
5. A description of issues that have adversely impacted or could reasonably be expected to adversely impact achievement of any Critical Milestone, including a description of any events that have resulted in or could reasonably be expected to result in delays.
6. Current projection for Commercial Operation Date.

## EXHIBIT D

### PRODUCTS AND PRICING<sup>3</sup>

1. Price for Buyer's Percentage Entitlement of Products up to the Contract Maximum Amount. The Price for the Buyer's Percentage Entitlement of Delivered Products up to the Contract Maximum Amount in nominal dollars shall be as follows:

Commencing on the Commercial Operation Date, the Price per [MWh or REC] for the Products shall be as follows:

[If single Energy price and / or single REC price are provided for the contract term.]

[(i) Energy= [amount bid by Seller]]

[(ii) RECs = [amount bid by Seller]]

- Fixed Contract Price [applicable to all technologies]

Contract Year	Energy Price <sup>4</sup> (\$/MWh)	REC Price (\$/REC)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

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<sup>3</sup> A selected Bidder is entitled to the contract price plus any revenues generated in the capacity market. All other existing and future revenues, including new tax credits received by a selected Bidder related to this project, net of any costs incurred by the selected Bidder to secure such revenues, shall belong to the Buyer. It is the selected Bidder's affirmative obligation to make reasonable efforts to identify and pursue available revenue sources or future tax credits, including new revenue sources that may come to fruition that the selected Bidder is eligible to receive. The specific language regarding this provision is subject to negotiation with the Buyer if the project is selected.

<sup>4</sup> The Energy Price listed above is the price for Energy and other wholesale market components.

11		
12		
13		
14		
15		
16		
17		
18		
19		
20		

If the Market Price at the Delivery Point in the Real-Time or Day-Ahead markets, as applicable, for Energy Delivered by Seller is negative in any hour, the payment to Seller for deliveries of Energy shall be reduced by the difference between the absolute value of the hourly LMP at the Delivery Point and \$0.00 per MWh for that Energy for each such hour. Each monthly invoice shall reflect a reduction for all hours in the applicable month in which the LMP for the Energy at the Delivery Point is less than \$0.00 per MWh.

Examples. If delivered Energy equals 1 MWh and Price equals \$50.00/MWh:

LMP at the Delivery Point equals (or is greater than) \$0.00/MWh  
 Buyer payment of Price to Seller \$50.00  
 Seller credit/reimbursement for negative LMP to Buyer \$0.00  
 Net Result: Buyer pays Seller \$50 for that hour

LMP at the Delivery Point equals -\$150.00/MWh  
 Buyer payment of Price to Seller \$50.00  
 Seller credit/reimbursement for negative LMP to Buyer \$150.00  
 Net Result: Seller credits or reimburses Buyer \$100 for that hour

2. Price for Buyer's Percentage Entitlement of Energy and RECs Delivered in Excess of the Contract Maximum Amount. The Energy and RECs Delivered in excess of the Contract Maximum Amount shall be purchased by Buyer at a Price equal to the product of (x) the Buyer's Percentage Entitlement of the MWhs of Energy in excess of the Contract Maximum Amount Delivered to the Delivery Point and (y) the lesser of (i) ninety percent (90%) of the Real-Time LMP at such Delivery Point, or (ii) the Price determined in accordance with Section 1(a) of this Exhibit D for each hour of the month during which such Energy in excess of the Contract Maximum Amount is Delivered to Buyer.

3. Negative LMP. For those hours when the Real-Time LMP at the Delivery Point (as determined by ISO-NE) is negative, the payment from Buyer to Seller shall be reduced for the Products Delivered in excess of the Contract Maximum Amount by an amount equal to the product of (x) the Buyer's Percentage Entitlement of the MWhs of Energy in excess of the Contract Maximum Amount Delivered to the Delivery Point and (y) one hundred percent (100%)

of the absolute value of the Real-Time LMP at such Delivery Point for each hour of the month during which such Energy in excess of the Contract Maximum Amount is Delivered to Buyer.

4. **RECs.** All rights and title to RECs associated with Energy Delivered in excess of the Contract Maximum Amount shall remain with Buyer whether the Real-Time LMP is positive or negative. In the event that Seller received RECs associated with Energy Delivered in excess of the Contract Maximum Amount, Seller shall not hold or claim to hold equitable title to such RECs and shall promptly transfer such RECs to Buyer's GIS account.

[5. **Indexing Adjustment Mechanism.** Indexed Price Bids will be subject to a one-time adjustment to reflect changes in the costs of certain underlying commodities and other cost components, which may occur subsequent to the Bid Due Date. The adjustment will be based on the Composite Set of Indices, as defined below. The weightings for each component in the Composite Set of Indices are fixed and cannot be altered by the bidder. The adjusted power purchase agreement (PPA) price will be calculated as:

$$\begin{aligned} PPA_{final} = & PPA_{base} \\ & \times \left[ 0.25 + \left( 0.30 \times \frac{CPI_f}{CPI_i} \right) + \left( 0.12 \times \frac{Steel_f}{Steel_i} \right) + \left( 0.06 \times \frac{Copper_f}{Copper_i} \right) \right. \\ & + \left( 0.07 \times \frac{Fuel_f}{Fuel_i} \right) + \left( 0.11 \times \frac{Labor_f}{Labor_i} \right) + \left( 0.09 \times \frac{Fab_f}{Fab_i} \right) \\ & \left. + \left( 0.67 \times (Interest_f - Interest_i) \right) \right] \end{aligned}$$

Where:

$PPA_{final}$  is the PPA price after applying the Indexing Adjustment on the Adjustment Date (\$/MWh)

$PPA_{base}$  is the PPA price as bid on the Bid Due Date (\$/MWh)<sup>5</sup>

$CPI_f$  is the final value of the Consumer Price Index (CPI) (unitless)

$CPI_i$  is the initial value of the Consumer Price Index (CPI) (unitless)

$Steel_f$  is the final value of the index for Steel (unitless)

$Steel_i$  is the initial value of the index for Steel (unitless)

$Copper_f$  is the final value of the index for Copper (unitless)

$Copper_i$  is the initial value of the index for Copper (unitless)

$Fuel_f$  is the initial value of the index price for Fuel (\$/gallon)

$Fuel_i$  is the initial value of the index price for Fuel (\$/gallon)

$Labor_f$  is the final value of the index for Labor (unitless)

$Labor_i$  is the initial value of the index for Labor (unitless)

$Fab_f$  is the final value of the index for Fabrication (unitless)

$Fab_i$  is the initial value of the index for Fabrication (unitless)

$Interest_f$  is the final value of the index rate for Interest (percent)

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<sup>5</sup> If a Bidder is offering a PPA price that increases by a fixed amount or fixed percentage in each year, the  $PPA_{final}$  and  $PPA_{base}$  are the first contract year prices.

$Interest_i$  is the initial value of the index rate for Interest (percent)

The data source for each index used in the formula above is defined in Table 1. Initial and final values for each index will be calculated as shown in Table 2.

Table 1 identifies the publicly available data from the U.S. Bureau of Labor Statistics (BLS), U.S. Energy Information Administration (EIA), and the Federal Reserve that will be the source for each component index.

**Table 1. Data Sources for Indices**

Index	Data Source
CPI	U.S. BLS, Data Series CUUR0000SA0L1E, All items less food and energy in U.S. city average, all urban consumers, not seasonally adjusted
Steel	U.S. BLS, PPI, Data Series PCU3311033110, Iron and steel mills and ferroalloy manufacturing, not seasonally adjusted
Copper	U.S. BLS, PPI, Data Series WPU102403, Metals and metal products – Secondary copper, alloyed and unalloyed, not seasonally adjusted
Fuel	U.S. EIA, Petroleum & other liquids, New York Harbor Ultra-Low Sulfur No 2 Diesel, average of daily prices for each trading day of the month
Labor	U.S. BLS, Data Series CIU20200000000001, Wages and salaries for Private Industry workers in All industries and occupations, not seasonally adjusted (Quarterly data)
Fabrication	U.S. BLS, Data Series PCU811310811310, Commercial machinery repair and maintenance, not seasonally adjusted
Interest	FRED St. Louis Federal Reserve, U.S. Treasury Securities at 10-Year Constant Maturity, Quoted on an Investment Basis (DGS10), average of daily quoted prices for the month

**Table 2. Calculation of Initial and Milestone Index Values**

Index	Initial Value on Bid Due Date	Final Value on Adjustment Date
Steel	Average of September, October, and November 2023 monthly values	Average of 3 months prior to Adjustment Date

Copper	Average of September, October, and November 2023 monthly values	Average of 3 months prior to Adjustment Date
Fuel	Average of daily prices for months of September, October, and November 2023	Average of daily prices for 3 months prior to Adjustment Date
Labor	Last available quarterly value prior to Bid Due Date	Last available quarterly value prior to Adjustment Date
Fabrication	Average of September, October, and November 2023 monthly values	Average of 3 months prior to Adjustment Date
CPI	Average of September, October, and November 2023 monthly values	Average of 3 months prior to Adjustment Date
Interest	Average of daily rates for months of September, October, and November 2023	Average of daily rates for 3 months prior to the Adjustment Date

## Implementation

- The Department will publish the monthly index values for September, October, and November 2023 that are used to calculate three-month averages on [Department website] as soon as possible after publication. The last available quarterly data for Labor is anticipated to be the value for the third quarter of 2023. The initial index values for each of the Composite Set of Indices will be published as soon as possible, but in no event later than December 31, 2023.
- All index ratios and the interest rate differential will be calculated to the same number of significant digits to the right of the decimal point as the published data. The PPA price after calculating the adjustment will be rounded to the nearest \$0.01 per MWh.
- Note that some indices published by the BLS are subject to revision for up to four months after original publication. However, the final index values used to calculate the initial and final PPA prices will not be updated.]

## **EXHIBIT E**

### **NETWORK UPGRADES**

[NTD: To be included in this exhibit are those Network Upgrades identified by the bidder in its Bid in order to achieve the Energy deliveries projected in the Bid, including those necessary for Seller's satisfaction of the obligations under Section 7.4]

**EXHIBIT F**  
**FORM OF LETTER OF CREDIT**

IRREVOCABLE STANDBY LETTER OF CREDIT NO. \_\_\_\_\_

ISSUE DATE: \_\_\_\_\_

APPLICANT  
[Applicant Name]  
[Applicant Address]

BENEFICIARY  
[Beneficiary Name] DBA Eversource Energy  
c/o Eversource Energy Service Company  
Treasury Department  
107 Selden Street  
Berlin, CT 06037

ATTENTION: MR. AARON J. CULLEN, MANAGER MIDDLE OFFICE & CREDIT

EXPIRY DATE AND TIME: *[insert date & office closing time]*

<u>CURRENCY</u>	<u>AMOUNT</u>
USD	\$ [insert amount]

ASSOCIATED AGREEMENT  
*[Insert specific contract reference & date here]*

WE HEREBY ISSUE IN YOUR FAVOR OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO: [ ] BY ORDER OF AND FOR THE ACCOUNT OF [Applicant Name], [Applicant Address] FOR AN AMOUNT OR AMOUNTS NOT TO EXCEED IN THE AGGREGATE [ ] AND [ ]/100 UNITED STATES DOLLARS (USD[ ]) (“ORIGINAL AMOUNT”) AVAILABLE BY YOUR DRAFT(S) AT SIGHT DRAWN ON [Name of Issuer] (“ISSUER”) LOCATED AT [Issuer Address].

THIS LETTER OF CREDIT IS PRESENTABLE AND PAYABLE AT OUR COUNTERS AND WE HEREBY ENGAGE WITH YOU THAT SIGHT DRAFTS PRESENTED AND DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT WILL BE DULY HONORED ON PRESENTATION WHEN ACCOMPANIED BY THE BELOW MENTIONED DOCUMENTS PURSUANT TO THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT.

1. YOUR SIGHT DRAFT, IN THE FORM OF ANNEX 1 ATTACHED HERETO; AND
2. YOUR SIGNED AND DATED STATEMENT, IN THE FORM OF ANNEX 2 ATTACHED HERETO; AND
3. THIS ORIGINAL LETTER OF CREDIT AND ANY AMENDMENT(S).

## **ADDITIONAL TERMS AND CONDITIONS:**

1. THIS LETTER OF CREDIT IS EFFECTIVE FROM [\_\_\_\_\_, 20\_\_\_\_\_] AND SHALL EXPIRE ON [\_\_\_\_\_, \_\_\_\_] AT OUR COUNTERS, PROVIDED THAT THIS LETTER OF CREDIT SHALL BE DEEMED TO BE AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR ONE (1) YEAR FROM THE CURRENT EXPIRY DATE HEREOF, OR ANY FUTURE EXPIRY DATE, UNLESS AT LEAST SIXTY (60) DAYS PRIOR TO THE EXPIRY DATE WE NOTIFY YOU BY REGISTERED MAIL RETURN RECEIPT REQUESTED OR COURIER (WITH DELIVERY CONFIRMED IN WRITING) THAT WE ELECT NOT TO CONSIDER THIS LETTER OF CREDIT EXTENDED FOR ANY SUCH ADDITIONAL PERIOD. UPON RECEIPT BY YOU OF SUCH NOTICE AND IF A SUBSTITUTE LETTER OF CREDIT IN FORM, SUBSTANCE AND AMOUNT ACCEPTABLE TO YOU IS NOT PROVIDED TO YOU BY OR ON BEHALF OF THE APPLICANT AT LEAST THIRTY (30) DAYS PRIOR TO THE THEN CURRENT EXPIRY DATE IN EFFECT AT THE TIME OF NOTICE, THEN YOU MAY DRAW UNDER THIS LETTER OF CREDIT UP TO THE AVAILABLE AMOUNT.
2. THE AMOUNT AVAILABLE TO BE DRAWN HEREUNDER AT ANY TIME ("AVAILABLE AMOUNT") SHALL BE EQUAL TO THE ORIGINAL AMOUNT LESS THE AGGREGATE AMOUNT OF ANY PRIOR PAID UNREIMBURSED DRAWINGS HEREUNDER AT OUR COUNTERS.
3. ANY NUMBER OF PARTIAL DRAWINGS IS PERMITTED FROM TIME TO TIME UNDER THIS LETTER OF CREDIT.
4. A FAILURE TO MAKE ANY PARTIAL DRAWINGS AT ANY TIME SHALL NOT IMPAIR OR REDUCE THE AVAILABILITY OF THIS LETTER OF CREDIT IN ANY SUBSEQUENT PERIOD OR OUR OBLIGATION TO HONOR YOUR SUBSEQUENT DEMANDS FOR PAYMENT MADE IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT.
5. IN THE EVENT OF A FULL OR FINAL DRAWING, THE ORIGINAL STANDBY LETTER OF CREDIT MUST BE RETURNED TO US BY OVERNIGHT COURIER.
6. PRESENTATION OF ANY DRAWING MAY BE MADE BY HAND-DELIVERY, EXPRESS COURIER, OR CERTIFIED MAIL AT THE FOLLOWING ADDRESS:

[Issuer]

[Issuer's Address]

PH: [\_\_\_\_] - [\_\_\_\_]

ATTENTION: [\_\_\_\_\_]

7. DRAWINGS PRESENTED BY TELEFACSIMILE ("FAX") TO FAX NO. [\_\_\_\_\_] (EACH SUCH DRAWING, A "FAX DRAWING") ARE ALSO ACCEPTABLE PROVIDED THAT SUCH FAX PRESENTATION IS MADE ON OR BEFORE THE EXPIRY DATE AND THE ORIGINAL DRAWING CERTIFICATES ARE SIMULTANEOUSLY FORWARDED BY OVERNIGHT COURIER SERVICE TO THE ABOVE ADDRESS, BUT THE FAILURE OF THE COURIER SERVICE TO TIMELY DELIVER SHALL NOT AFFECT THE EFFECTIVENESS OF THE FAX PRESENTATION. A FAX DRAWING WILL NOT BE

EFFECTIVELY PRESENTED UNTIL YOU CONFIRM BY TELEPHONE OUR RECEIPT OF SUCH FAX DRAWING BY CALLING US AT TELEPHONE NUMBER [\_\_\_\_\_].

8. IF A DRAWING IS MADE BY YOU HEREUNDER AT OR BEFORE 11:00 A.M., NEW YORK TIME, ON A BUSINESS DAY (AS HEREINAFTER DEFINED) IN CONFORMANCE WITH THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT, PAYMENT SHALL BE MADE TO YOU IN IMMEDIATELY AVAILABLE FUNDS AT OR BEFORE 4:00 P.M., NEW YORK TIME, ON THE NEXT FOLLOWING BUSINESS DAY. IF A DRAWING IS MADE BY YOU HEREUNDER AFTER 11:00 A.M., NEW YORK TIME, ON A BUSINESS DAY IN CONFORMANCE WITH THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT, PAYMENT SHALL BE MADE TO YOU IN IMMEDIATELY AVAILABLE FUNDS AT OR BEFORE 3:00 P.M., NEW YORK TIME, ON THE SECOND BUSINESS DAY THEREAFTER.
9. THE TERM "BUSINESS DAY" AS USED HEREIN MEANS ANY DAY OTHER THAN (I) A SATURDAY, (II) A SUNDAY, OR (III) A DAY ON WHICH BANKING INSTITUTIONS LOCATED IN THE CITY OF NEW YORK, NEW YORK ARE REQUIRED OR AUTHORIZED BY LAW TO BE CLOSED.
10. IF ANY DEMAND FOR PAYMENT UNDER THIS STANDBY LETTER OF CREDIT DOES NOT CONFORM TO THE TERMS AND CONDITIONS OF THIS STANDBY LETTER OF CREDIT, THE ISSUING BANK SHALL GIVE THE BENEFICIARY PROMPT WRITTEN NOTICE OF THE SAME STATING THE REASONS THEREFOR, AND THE ISSUING BANK WILL, UPON THE BENEFICIARY'S REQUEST, HOLD THE DOCUMENTS PRESENTED TO THE ISSUING BANK AT THE BENEFICIARY'S DISPOSAL OR RETURN THE SAME TO THE BENEFICIARY. UPON BEING NOTIFIED THAT ANY DEMAND FOR PAYMENT DID NOT CONFORM TO THIS STANDBY LETTER OF CREDIT, THE BENEFICIARY MAY ATTEMPT TO CORRECT ANY SUCH NON-CONFORMING DEMAND FOR PAYMENT.
11. THIS LETTER OF CREDIT MAY BE TERMINATED UPON BENEFICIARY'S RECEIPT OF FULL PAYMENT FROM THE APPLICANT AND ISSUER'S RECEIPT OF A WRITTEN RELEASE FROM THE BENEFICIARY RELEASING THE ISSUER FROM ITS OBLIGATIONS UNDER THIS LETTER OF CREDIT.
12. APPLICANT'S FILING OF A BANKRUPTCY, RECEIVERSHIP OR OTHER DEBTOR-RELIEF PETITION, AND/OR APPLICANT'S DISCHARGE THEREUNDER, SHALL IN NO WAY AFFECT THE LIABILITY OF THE ISSUER UNDER THIS LETTER OF CREDIT AND, AS A RESULT, THE ISSUER SHALL ALWAYS REMAIN LIABLE TO THE BENEFICIARY FOR THE FULL AMOUNT OF THIS LETTER OF CREDIT, NOTWITHSTANDING SAID BANKRUPTCY, RECEIVERSHIP, PETITION OR DISCHARGE - NOT TO EXCEED THE AVAILABLE AMOUNT OF THIS LETTER OF CREDIT.
13. ALL COMMISSIONS AND OTHER BANKING CHARGES WITH RESPECT TO THIS LETTER OF CREDIT WILL BE BORNE BY THE APPLICANT.
14. WITH THE EXCEPTION OF INCREASES THIS LETTER OF CREDIT MAY NOT BE AMENDED, CHANGED OR MODIFIED WITHOUT THE EXPRESS WRITTEN CONSENT OF THE BENEFICIARY AND THE ISSUER.
15. THIS LETTER OF CREDIT MAY NOT BE TRANSFERRED OR ASSIGNED.
16. THIS LETTER OF CREDIT IS IRREVOCABLE.

17. THE BENEFICIARY SHALL NOT BE DEEMED TO HAVE WAIVED ANY RIGHTS UNDER THIS LETTER OF CREDIT, UNLESS THE BENEFICIARY OR AN AUTHORIZED AGENT OF THE BENEFICIARY SHALL HAVE SIGNED A DATED WRITTEN WAIVER. NO SUCH WAIVER, UNLESS EXPRESSLY SO STATED THEREIN, SHALL BE EFFECTIVE AS TO ANY TRANSACTION THAT OCCURS SUBSEQUENT TO THE DATE OF THE WAIVER, NOR AS TO ANY CONTINUANCE OF A BREACH AFTER THE WAIVER.
18. NOTWITHSTANDING ANY PROVISION OF THIS LETTER OF CREDIT TO THE CONTRARY, SHOULD THIS LETTER OF CREDIT EXPIRE OR TERMINATE ON A DATE THAT THE ISSUER'S LOCATION IS CLOSED DUE TO AN INTERRUPTION OF THE ISSUER'S BUSINESS CAUSED BY AN ACT OF GOD, WEATHER-RELATED EVENT, RIOT, CIVIL COMMOTION, INSURRECTION, ACT OF TERRORISM, WAR, DECLARED OR UNDECLARED, OR ANY CAUSE BEYOND THE ISSUER'S CONTROL, THEN THE TERMS OF THIS LETTER OF CREDIT WILL AUTOMATICALLY BE EXTENDED FOR AN ADDITIONAL PERIOD EQUAL TO THE LENGTH OF THE INTERRUPTION OF THE ISSUER'S BUSINESS, WHICH ADDITIONAL PERIOD SHALL NOT BE LESS THAN TEN (10) BUSINESS DAYS OR IN ANY EVENT LONGER THAN THIRTY (30) CALENDAR DAYS, FOLLOWING THE DAY ON WHICH THE ISSUER RESUMES ITS BUSINESS AFTER THE CAUSE OF SUCH INTERRUPTION HAS BEEN REMOVED OR ELIMINATED, AND, AS A RESULT, ANY DRAWING ON THIS LETTER OF CREDIT WHICH COULD PROPERLY HAVE BEEN MADE, BUT FOR SUCH INTERRUPTION, SHALL BE PERMITTED DURING SUCH EXTENDED PERIOD.
19. THIS LETTER OF CREDIT IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES (1998) OF THE INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 590 ("ISP98") OR SUCH LATER REVISION (S) OF THE INTERNATIONAL STANDBY PRACTICES AS MAY BE HEREAFTER ADOPTED. AS TO MATTERS NOT GOVERNED BY ISP98, THIS LETTER OF CREDIT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, INCLUDING, TO THE EXTENT NOT INCONSISTENT WITH ISP98, THE UNIFORM COMMERCIAL CODE AS IN EFFECT IN THE STATE OF NEW YORK.
20. SHOULD BENEFICIARY REQUIRE A REPLACEMENT OF THIS LETTER OF CREDIT DUE TO LOSS OR DESTRUCTION OF THE ORIGINAL, WE WILL PROVIDE REPLACEMENT UPON WRITTEN REQUEST WHEN ACCOMPANIED BY A COPY OF THE ORIGINAL.
21. PLEASE DIRECT ANY WRITTEN CORRESPONDENCE, INCLUDING DRAWING OR INQUIRIES TO:

[Issuer]  
[Issuer Address]  
PH: [\_\_\_\_] - [\_\_\_\_]  
ATTENTION: \_\_\_\_\_

AUTHORIZED SIGNATURE: \_\_\_\_\_  
TITLE: \_\_\_\_\_

ANNEX 1 TO LETTER OF CREDIT - FORM OF SIGHT DRAFT

SIGHT DRAFT

[DATE]

To: [ Bank Legal Name ]  
[ Bank Address ]  
Attention: Letter of Credit Department  
Re: Irrevocable Letter of Credit No. [ #####/##### ]

Pay to the order of: [ ES/Beneficiary Entity] (the “Beneficiary”)

[ Amount ] and [##]/100 (UNITED STATES DOLLARS (USD [#####.##])) at sight.

By wire transfer in same day funds to

[Bank Name], ABA Routing No. [#####/#####/#####],  
Account No. [ #####/##### ].

[Beneficiary Name] DBA Eversource Energy

By: \_\_\_\_\_

Name:  
Title:  
Date:

ANNEX 2 TO LETTER OF CREDIT

DRAWING CERTIFICATE

DATE: \_\_\_\_\_

TO: [Issuer]  
[Issuer Address]

ATTENTION: STANDBY LETTER OF CREDIT UNIT

RE: IRREVOCABLE LETTER OF CREDIT NO. [\_\_\_\_\_]

LADIES AND GENTLEMEN:

THE UNDERSIGNED HEREBY DRAWS ON THIS LETTER OF CREDIT BECAUSE OF ONE OR MORE OF THE FOLLOWING REASONS:

(A) THE AMOUNT FOR THIS DRAWING, USD [INSERT AMOUNT], BEING MADE UNDER THE [Issuer Name] (“ISSUER”) LETTER OF CREDIT NUMBER [INSERT LETTER OF CREDIT REFERENCE NUMBER], REPRESENTS AN AMOUNT DUE AND PAYABLE TO BENEFICIARY FROM APPLICANT UNDER AND/OR IN CONNECTION WITH [Associated Agreement Reference], OR

(B) THE AMOUNT FOR THIS DRAWING, USD [INSERT AMOUNT], IS BEING MADE UNDER THE [Issuer Name] (“ISSUER”) LETTER OF CREDIT NUMBER [INSERT LETTER OF CREDIT REFERENCE NUMBER] BECAUSE THE ISSUER HAS NOTIFIED THE BENEFICIARY THAT (I) IT HAS ELECTED NOT TO CONSIDER THIS LETTER OF CREDIT RENEWED, (II) NO SUBSTITUTE LETTER OF CREDIT IN FORM, SUBSTANCE AND AMOUNT ACCEPTABLE TO BENEFICIARY HAS BEEN PROVIDED BY APPLICANT, AND (III) THE CURRENT EXPIRY DATE OF THIS LETTER OF CREDIT IS WITHIN THIRTY (30) DAYS.

VERY TRULY YOURS,

[Beneficiary Name] DBA Eversource Energy

BY: \_\_\_\_\_  
NAME: \_\_\_\_\_  
TITLE: \_\_\_\_\_  
DATE: \_\_\_\_\_

## APPENDIX D

### Certification

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

The undersigned certifies that he or she is an authorized officer or other authorized representative of the Bidder, and further certifies that: (1) the Bidder has reviewed this RFP and all attachments and has investigated and informed itself with respect to all matters pertinent to this RFP and its proposal; (2) the information contained in the Bidder's proposal is true and complete, and Bidder will amend its proposal if any substantial changes occur regarding the information provided in the proposal within ten (10) days of any such change; (3) the Bidder's proposal is submitted in compliance with all applicable federal, state and local laws and regulations, including antitrust and anti-corruption laws; (4) the Bidder is bidding independently and has no knowledge of non-public information associated with a proposal being submitted by another party in response to this RFP other than: (a) a response submitted (i) by an affiliate of Bidder or (ii) for a project where Bidder is also a project proponent or participant, which in each case must be disclosed in writing to the Evaluation Team with each such Bidder's or affiliated Bidder's proposal; or (b) a submission of multiple bids for the same Qualified Energy as discussed in Section 2.2.1; (5) the Bidder has no knowledge of any non-public information associated with the development of this RFP; (6) the Bidder's proposal has not been developed utilizing knowledge of any non-public information associated with the development of this RFP; and (7) the Bidder has engaged all necessary legal, financial, engineering and technical resources in the review of this RFP and all appendices and attachments and in the preparation of Bidder's proposal.

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

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

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

---

Bidder or Bidder's Authorized Representative

---

Print or Type Name

---

Project Title(s) as Submitted to DEEP

---

Title      Date

## **APPENDIX E**

### **Consent to Submittal to PURA**

By signing below, the undersigned (Bidder) acknowledges and authorizes the Department of Energy and Environmental Protection (Department) to submit the entire unredacted proposal, including all attachments and any material deemed "Confidential," to the Public Utilities Regulatory Authority (Authority or PURA). A proposal will be considered incomplete unless all required signatures are provided. Such submittal shall be only in the event the Bidder's proposal is requested by the Authority, in whole or in part, in any proceedings related to Section 16a-3n of the General Statutes. This Consent to Submittal to PURA should not be construed as any conclusive determination about the Bidder's project. If the Bidder seeks protective treatment of any such information submitted to the Authority, the Bidder must submit to the Authority a motion for protective order, a draft protective order for the Department to sign, and a sworn affidavit attesting the confidential nature of the information.

---

Bidder

---

Signature of an Officer of Bidder

---

Print or Type Name of Officer

---

Project Title(s) as Submitted to the Department

---

Title

---

Date Signed

## **APPENDIX F**

### **Procurement Statute**

#### **CONNECTICUT PROCUREMENT STATUTE**

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

[https://www.cga.ct.gov/current/pub/chap\\_295.htm#sec\\_16a-3n](https://www.cga.ct.gov/current/pub/chap_295.htm#sec_16a-3n)

**APPENDIX G-1 (Eversource)  
UTILITY STANDARD OF CONDUCT**

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**EVERSOURCE STANDARD OF CONDUCT GOVERNING  
ACTIVITY RELATED TO OFFSHORE WIND DEVELOPMENT  
AND SOLICITATIONS FOR CLEAN ENERGY RESOURCES**

*Effective: April 1, 2023*

**1. INTRODUCTION**

- 1.1. Eversource commits to comply with all laws and regulations, rules, and standards and codes of conduct governing utility interactions by and between affiliate companies to ensure that the Eversource electric distribution companies (The Connecticut Light and Power Company d/b/a Eversource Energy, NSTAR Electric Company d/b/a Eversource Energy, and Public Service Company of New Hampshire d/b/a Eversource Energy) (collectively “**Eversource EDCs**” with each individual company an “**Eversource EDC**”) do not provide an unfair competitive advantage, preferential treatment, or improper subsidy to Eversource’s competitive energy affiliates, including specifically its offshore wind affiliates (“**Eversource Competitive Energy Affiliates**”).
- 1.2. Eversource acknowledges the need to follow certain additional standards of conduct to ensure:
  - 1.2.1. Competitive solicitations for clean energy resources, including specifically offshore wind, are conducted in a fair, transparent and competitive manner;
  - 1.2.2. All applicable laws and regulations, rules, and standards and codes of conduct, including specifically those relating to such **Competitive Energy Solicitations**, are observed;
  - 1.2.3. All potential bidders in **Competitive Energy Solicitations** are treated fairly and equitably and are provided the same access to solicitation-related information as an **Eversource Competitive Energy Affiliate**;
  - 1.2.4. No potential bidder in a **Competitive Energy Solicitation**, including specifically an **Eversource Competitive Energy Affiliate**, receives preferential treatment, subsidy or confidential, non-public information not available to other potential non-affiliated bidders;
  - 1.2.5. No potential bidder in a **Competitive Energy Solicitation**, including specifically an **Eversource Competitive Energy Affiliate**, is given an unfair competitive advantage;
  - 1.2.6. No costs and expenses of **Eversource Competitive Energy Affiliates** are cross-subsidized by customers of the **Eversource EDCs**; and
  - 1.2.7. Eversource employees, consultants or representatives do not engage in conduct that creates an actual or apparent conflict of interest in connection with any **Competitive Energy Solicitations**.

**2. PURPOSE**

- 2.1. This **Standard of Conduct** is effective on *April 1, 2023*, and establishes protocols and standards to govern the conduct of Eversource employees, consultants and representatives in connection with (a) Eversource’s ownership interest in, and development, construction, operation and maintenance of, competitive energy projects, including specifically offshore wind, and/or the development and submission of bids in connection with **Competitive Energy Solicitations**; and (b) the planning, conduct, administration, or oversight of **Competitive Energy Solicitations**, where an **Eversource Competitive Energy Affiliate** may be or is a bidder.

### **3. DEFINITIONS**

- 3.1. ***Competitive Energy Solicitation***—Any solicitation process seeking competitive bids for renewable or clean energy resources or products sponsored, overseen or regulated by state or federal regulatory bodies in which an **Eversource EDC** is participating.
- 3.2. ***Confidential Business Information (“CBI”)***—Confidential and proprietary business information of the company, including technical, financial, commercial, marketing, intellectual property or other business information. This also includes confidential Critical Infrastructure Information vital to electric, transmission, generation, and distribution operations. Critical Infrastructure Protection (“CIP”) information designated as such by the North American Electric Reliability Corporation (“NERC”) **CIP** standards, and critical energy infrastructure information (“CEII”) designated as such by the Federal Energy Regulatory Commission (“FERC”).
- 3.3. ***Confidential Competitive Energy Solicitation Information (“CCESI”)***—Confidential, non-public information, including **CBI** relating to:
  - 3.3.1. The planning, conduct, administration, endorsement, or oversight of the development of a **Competitive Energy Solicitation** or an RFP issued in connection therewith, or the evaluation of bids or proposals, or the selection of proposed projects in connection with any such **Competitive Energy Solicitation** or an RFP issued thereunder;
  - 3.3.2. The planning, conduct, administration, endorsement, or oversight of the development of a proposal in response to an RFP issued in connection with a **Competitive Energy Solicitation** on behalf of an **Eversource Competitive Energy Affiliate**; or,
  - 3.3.3. The negotiation of any contracts with any selected bidder.
- 3.4. ***Eversource Bid Team***—Eversource employees, consultants and representatives who participate on behalf of an **Eversource Competitive Energy Affiliate**, including specifically an offshore wind affiliate, in the planning, conduct, administration, endorsement, or oversight of the development of a proposal in response to an RFP in, and/or the negotiation of any contracts pursuant to, a **Competitive Energy Solicitation**.
- 3.5. ***Eversource Common Supervisor***—Eversource supervisory employees who are not members of an **Eversource Bid Team** or **Eversource Evaluation Team** and who directly or indirectly supervise in the normal course of their job responsibilities one or more employees participating (a) on an **Eversource Bid Team** and (b) on an **Eversource Evaluation Team**.
- 3.6. ***Eversource Competitive Energy Affiliate***—Eversource affiliate company that is engaged in the sale or marketing of electricity, renewable generation or energy-related services on a competitive basis.
- 3.7. ***Eversource Evaluation (Buy) Team***—Eversource employees, consultants and representatives who participate on behalf of an **Eversource EDC** in the planning, conduct, administration, endorsement, or oversight of the development of an RFP issued in connection with a **Competitive Energy Solicitation**, and/or the evaluation of proposals, selection of proposed projects, negotiation of any agreements, and related filings with state and/or federal regulatory authorities on behalf of an **Eversource EDC** in connection with a **Competitive Energy Solicitation**.
- 3.8. ***Eversource Senior Executives***—The CEO and Executive Vice Presidents of Eversource Energy and Eversource Energy Service Company, as applicable.
- 3.9. ***Standard of Conduct***—This Eversource Standard of Conduct Governing Activity Related to

Offshore Wind Development and Solicitations for Clean Energy Resources (Effective *April 1, 2023*).

- 3.10. For purposes of this **Standard of Conduct** “representatives” shall be deemed to include legal counsel.

#### **4. ROLES & RESPONSIBILITIES**

- 4.1. ***Bid & Evaluation Teams***—Eversource employees, consultants and representatives participating in a **Competitive Energy Solicitation** will be a member of an **Eversource Bid Team** or an **Eversource Evaluation Team**. No Eversource employees, consultants or representatives participating in a **Competitive Energy Solicitation** may be a member of both an **Eversource Bid Team** and an **Eversource Evaluation Team** or may change from one team to the other (a) during the same or successive **Competitive Energy Solicitation** processes; and (b) for a period of at least two (2) years from the termination of their last participation on a **Bid** or **Evaluation Team** in a prior **Competitive Energy Solicitation** process, whichever is longer.
  - 4.1.1. The confidentiality obligations under this **Standard of Conduct** shall continue to apply to all persons who switch from one team to the other as described below in Sections 5.7 and 6.2.
- 4.2. ***Rosters***—Eversource will develop and maintain rosters of Eversource employees, consultants and representatives participating in a **Competitive Energy Solicitation** as members of an **Eversource Bid Team** or an **Eversource Evaluation Team**. Rosters will be posted on the Compliance & Me site on the Eversource HUB and will be reviewed and updated at least quarterly by the Deputy General Counsel & Chief Compliance Officer in consultation with the leads from the **Eversource Bid Teams** and **Eversource Evaluation Teams**, as well as the leadership of the **Competitive Energy Affiliates**.
- 4.3. ***Common Supervisor Mitigation Plans***—Eversource **Common Supervisors** will develop a written mitigation plan setting out the controls they and their reports who are members of **Eversource Bid Teams** and **Eversource Evaluation Teams** will implement to ensure compliance with the **Standard of Conduct**, including specifically the confidentiality and no-conduit requirements, and provide them to Eversource’s Deputy General Counsel & Chief Compliance Officer.
- 4.4. ***Badging***—In connection with a **Competitive Energy Solicitation**, members of an **Eversource Bid Team** and an **Eversource Evaluation Team**, will be assigned colored ID badge holders to wear to enable easy visual identification of their status as follows:
  - 4.4.1. **Eversource Evaluation Team** members will wear a **red** ID badge cover; and
  - 4.4.2. **Eversource Bid Team** members will wear a **green** ID badge cover.
- 4.5. ***Compliance***—The degree of participation and the conduct of an **Eversource EDC** or an **Eversource Competitive Energy Affiliate** in a **Competitive Energy Solicitation** will be consistent with, and in compliance with, applicable state and federal laws, regulations and orders.
- 4.6. ***Affiliate Disclosures***—The **Eversource EDCs** agree to request the inclusion of a requirement, in any RFP issued in connection with a **Competitive Energy Solicitation**, that bidders disclose any affiliation, ownership interest, financial interest, or other potential conflict of interest with any electric distribution companies involved in the solicitation process.
- 4.7. ***Legal Representation***—**Eversource Bid Team** and **Eversource Evaluation Team** will be

represented by separate in-house legal counsel and, where practicable, by separate outside counsel during a **Competitive Energy Solicitation**; however, to the extent any outside law firm represents both the **Eversource Bid Team** and the **Eversource Evaluation Team**, such firm must establish ethical walls within their firm pursuant to a written mitigation plan to ensure separation of attorneys supporting an **Eversource Bid Team** and those supporting an **Eversource Evaluation Team**.

48. ***Independence***—An **Eversource Bid Team** and **Eversource Evaluation Team** participating in a **Competitive Energy Solicitation** will report through and operate within independent companies, business units or departments to the extent reasonably feasible, based on the corporate and organizational structure of Eversource at the time. Where not reasonably feasible, Eversource will take measures to ensure compliance with this **Standard of Conduct**.

## **5. STANDARDS & CONTROLS**

51. ***Communication & Training***—Eversource will communicate the standards under the **Standard of Conduct** to all Eversource employees, consultants and representatives serving on an **Eversource Bid Team** and an **Eversource Evaluation Team**, as well as all **Eversource Common Supervisors** and **Eversource Senior Executives** and provide them with appropriate initial and periodic refresher training and awareness communications.
52. ***Certifications***—All Eversource employees, consultants and representatives serving on an **Eversource Bid Team** or **Eversource Evaluation Team**, as well as all **Eversource Common Supervisors** and **Eversource Senior Executives**, shall certify in writing at the beginning of each **Competitive Energy Solicitation** process in which they participate that they reviewed, understand, and agree to comply with the **Standard of Conduct** in a form consistent with Appendix A, and will certify in writing at the conclusion of each **Competitive Energy Solicitation** process in which they participate that they complied with and did not violate the **Standard of Conduct** during the solicitation process in a form consistent with **Appendix B**.
53. ***Non-Discrimination/No Preferential Treatment***—Eversource Evaluation Team members shall not treat the bid or proposal of an **Eversource Competitive Energy Affiliate** (including any bid or proposal in which an **Eversource Competitive Energy Affiliate** is participating) in a preferential manner or treat any other bid in a discriminatory manner. This requirement shall also apply to Common Supervisors and/or Senior Executives to the extent they participate in the bid selection process.
54. ***Expense Reporting; No Cross-Subsidization***—The **Eversource Bid Team** will properly report their time, services and expenditures pursuant to Eversource procedures to prevent cross-subsidization of an **Eversource Bid Team** member, or **Eversource Competitive Energy Affiliate** by the **Eversource EDCs** and their customers.
55. ***Confidentiality***—Members of an **Eversource Bid Team** shall not directly or indirectly share, discuss or disclose **CCESI** with members of an **Eversource Evaluation Team**. Members of an **Eversource Evaluation Team** shall not directly or indirectly share, discuss or disclose **CCESI** with members of an **Eversource Bid Team**.
  - 5.5.1. No Eversource employee, consultant or representative who is not an **Eversource Evaluation Team** member, **Eversource Senior Executive** or **Eversource Common Supervisor** shall be given access to **CCESI** pertaining to the planning, conduct, administration, endorsement, or oversight of the development of the solicitation process or an RFP issued in connection therewith, or the evaluation of proposals, or the selection of, or negotiations pertaining to, proposed projects in connection with the solicitation process

or an RFP issued thereunder.

5.5.2. No Eversource employee, consultant or representative who is not an **Eversource Bid Team** member, **Eversource Senior Executive** or **Eversource Common Supervisor** shall be given access to **CCESI** pertaining to the planning, conduct, administration, endorsement, or oversight of the development of a proposal in response to an RFP issued in connection with the solicitation process on behalf of a **Eversource Competitive Energy Affiliate**.

5.6. **No Conduit Requirements**—In addition to the confidentiality requirements for members of **Eversource Bid Teams** and **Eversource Evaluation Teams**, no Eversource employees, consultants or representatives not members of an **Eversource Bid Team** or an **Eversource Evaluation Team**, may be a conduit for communicating directly or indirectly any **CCESI** to other employees not authorized to access the **CCESI**, including specifically as follows:

5.6.1. **Eversource Senior Executives** and **Common Supervisors** are responsible for ensuring compliance of their direct and indirect reports with the **Standard of Conduct** and may not be a conduit for communicating directly or indirectly any **CCESI**:

5.6.1.1. Obtained or learned from a member of an **Eversource Evaluation Team** with a member of an **Eversource Bid Team**; or

5.6.1.2. Obtained or learned from a member of an **Eversource Bid Team** with a member of an **Eversource Evaluation Team**

5.6.1.3. Except as allowed under the rules of the specific **Competitive Energy Solicitation** or the **Standard of Conduct**.

5.7. **CCESI from Prior Solicitation Processes**—The confidentiality and no-conduit obligations apply to **CCESI** developed and related to prior **Competitive Energy Solicitations** unless and to the extent that such information is in the public realm.

5.8. **Information Security Controls**—Each **Eversource Bid Team** or **Eversource Evaluation Team** will have access to a secure file share and/or Microsoft Teams/SharePoint location for the development, access and maintenance of **CCESI** and other information related to the **Eversource Bid Team** or **Eversource Evaluation Team**, as applicable.

5.8.1. Access to the secure information location will be limited to individuals who are members of an **Eversource Bid Team** or **Eversource Evaluation Team** who have completed their initial **Standard of Conduct** training and have certified that they reviewed, understand, and agree to comply with the **Standard of Conduct**.

5.8.2. The Eversource Deputy General Counsel & Chief Compliance Officer will control access to the secure locations.

5.9. **Competitive Energy Solicitation Meetings**—There shall be no meetings of one or more **Eversource Bid Team** members and one or more **Eversource Evaluation Team** members relating to a **Competitive Energy Solicitation** at which **CCESI** or any other non-public information relating to a **Competitive Energy Solicitation** is discussed or disclosed or that otherwise violates the terms of the applicable Request for Proposals for Long-Term Contracts for Offshore Wind Energy Projects, including specifically Sections 1.4 and 1.6.

5.10. **Competitive Energy Solicitation Communications**—There shall be no correspondence or communications related to a **Competitive Energy Solicitation** in which **CCESI** or any other non-

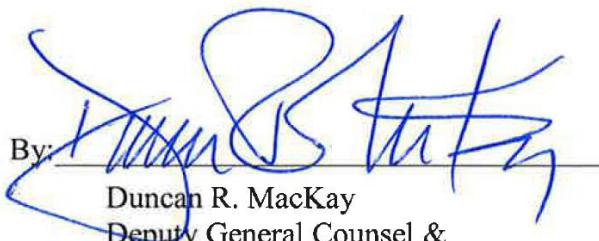
public information relating to a Competitive Energy Solicitation is discussed or disclosed, where such communication or correspondence is sent to one or more **Eversource Bid Team** members and one or more **Eversource Evaluation Team** members, or that otherwise violates the terms of the applicable Request for Proposals for Long-Term Contracts for Offshore Wind Energy Projects, including specifically Sections 1.4 and 1.6.

- 5.11. ***Communicating Standard of Conduct Questions & Suspected Violations***—Questions regarding compliance with the **Standard of Conduct**, as well as reasonably suspected violations of the **Standard of Conduct** shall be promptly communicated to the Eversource Deputy General Counsel & Chief Compliance Officer.
- 5.12. ***Violations of the Standard of Conduct; Mitigation Plan; Reporting***—When the Eversource Deputy General Counsel & Chief Compliance Officer becomes or is made aware of any reasonably suspected violation of the **Standard of Conduct**, he shall promptly investigate to determine whether a violation has occurred. If he concludes a violation of the **Standard of Conduct** has occurred, he will document the nature of the violation, including its materiality, and develop an appropriate plan to cure or mitigate the impact of the violation and to prevent the prospect of reoccurrence.
- 5.13. ***Evaluation & Selection of Proposals***—Since Eversource participants in a **Competitive Energy Solicitation** are divided into an **Eversource Evaluation Team** and an **Eversource Bid Team** subject to the terms of the **Standard of Conduct**, the **Eversource Evaluation Team** members may participate, as contemplated under the rules of the particular solicitation process or RFP issued thereunder, in the evaluation or selection of proposed projects submitted by an **Eversource Competitive Energy Affiliate**, and the negotiation of contracts relating to any projects selected in connection with a **Competitive Energy Solicitation** or an RFP issued thereunder, including any submitted by an **Eversource Competitive Energy Affiliate**.
  - 5.13.1. Eversource will ensure that all interactions, discussions, communications and negotiations between any **Eversource Bid Team** members and **Eversource Evaluation Team** members are in full compliance with:
    - 5.13.1.1. all applicable state statutory and regulatory requirements;
    - 5.13.1.2. all federal statutory and regulatory requirements including the FERC Standards of Conduct for Transmission Providers, as detailed in FERC Orders 717, 787 and 807;
    - 5.13.1.3. any compliance plan, standards of conduct or tariff filed by the **Eversource EDCs** with FERC or any state regulatory agency; and
    - 5.13.1.4. all other applicable laws, regulations, rules, standards and codes of conduct, including any standard or code of conduct specific to the **Competitive Energy Solicitation** in question governing interactions between the **Eversource EDCs** and their **Eversource Competitive Energy Affiliates**.
  - 5.13.1.5. This **Standard of Conduct**.
- 5.14. Eversource may take further actions above and beyond those required under this **Standard of Conduct** as it considers necessary or appropriate to avoid an actual or perceived conflict of interest in connection with a **Competitive Energy Solicitation** or an RFP issued thereunder or to reduce the possibility of non-compliance with the **Standard of Conduct**.

## **6. TERMINATION OF STANDARD OF CONDUCT**

- 6.1. In connection with a **Competitive Energy Solicitation** process or an RFP issued thereunder, this **Standard of Conduct** will remain effective for members of any **Eversource Bid Team** and **Eversource Evaluation Team** participating in the solicitation process and their **Eversource Common Supervisors** until the earlier to occur of:
  - 6.1.1. The conclusion of all regulatory filings or approval proceedings resulting from the solicitation process;
  - 6.1.2. The execution of all power purchase or other agreements by the participating **Eversource EDC** with the selected bidder(s); or
  - 6.1.3. The termination or abandonment of the solicitation process followed by any necessary or appropriate regulatory approvals.
- 6.2. Notwithstanding the above, the confidentiality and no-conduit obligations under this **Standard of Conduct** pertaining to **CCESI** will remain in effect and survive the termination of this Standard of Conduct.

EVERSOURCE ENERGY SERVICE COMPANY on behalf of THE  
CONNECTICUT LIGHT AND POWER COMPANY D/B/A  
EVERSOURCE ENERGY, NSTAR ELECTRIC COMPANY D/B/A  
EVERSOURCE ENERGY, AND PUBLIC SERVICE COMPANY  
OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY

By: 

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

## Appendix A

### CERTIFICATION

I certify that I reviewed the EVERSOURCE STANDARD OF CONDUCT GOVERNING ACTIVITY RELATED TO OFFSHORE WIND DEVELOPMENT AND SOLICITATIONS FOR CLEAN ENERGY RESOURCES, and have reviewed the Standards of Conduct Training, understand its terms and conditions, and agree to follow and be bound by the standards, including specifically the confidentiality and no-conduit rules, set forth therein.

If I have any questions regarding compliance with or interpretation of the Standard of Conduct, including any potential violations of its terms, I will promptly notify the Eversource Chief Compliance Officer, Duncan R. MacKay, Deputy General Counsel & Chief Compliance Officer ([Duncan.MacKay@Eversource.com](mailto:Duncan.MacKay@Eversource.com) or 860-665-3495).

Signed: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

Supervisor Name: \_\_\_\_\_

Title: \_\_\_\_\_

Please indicate your role(s)



Eversource Common Supervisor



Eversource Evaluation/Buy Team



Eversource Bid/Sell Team



Eversource Senior Executive

**APPENDIX B**

**CERTIFICATE OF COMPLIANCE**

I participated on the Eversource [*Evaluation/Bid*] Team in connection with the **2023 Connecticut Zero Carbon and Offshore Wind Solicitation Process**. As part of this certification, I certify that (a) I completed the training required under section 5.1 of the EVERSOURCE STANDARD OF CONDUCT GOVERNING ACTIVITY RELATED TO OFFSHORE WIND DEVELOPMENT AND SOLICITATIONS FOR CLEAN ENERGY RESOURCES (“Standard of Conduct”); (b) I affirmed my commitment to honor and comply with the Standard of Conduct during the **2023 Connecticut Zero Carbon and Offshore Wind Solicitation Process** by signing a Certification in a form similar to Appendix A of the Standard of Conduct; (c) I honored and complied with the Standard of Conduct throughout the **2023 Connecticut Zero Carbon and Offshore Wind Solicitation Process**; and, (d) I have no knowledge, and no reason to believe, that there has been any failure to comply with the Standard of Conduct during the **2023 Connecticut Zero Carbon and Offshore Wind Solicitation Process**.

Signed: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

Supervisor Name: \_\_\_\_\_

Title: \_\_\_\_\_

## APPENDIX C

### **CERTIFICATE OF COMPLIANCE**

I am the Eversource Chief Compliance Officer, and I certify that Eversource has complied with the EVERSOURCE STANDARD OF CONDUCT GOVERNING ACTIVITY RELATED TO OFFSHORE WIND DEVELOPMENT AND SOLICITATIONS FOR CLEAN ENERGY RESOURCES (“Standard of Conduct”) that applied to the **2023 Connecticut Zero Carbon and Offshore Wind Solicitation Process**.

As part of this certification, I certify that: (a) the training required under Section 5.1 of the Standard of Conduct was conducted for Eversource Evaluation Team and Bid Team members and for Eversource Common Supervisors; (b) all such persons affirmed their commitment to honor and comply with the Standard of Conduct in a form consistent with Appendix A of the Standard of Conduct; (c) all such persons certified in writing at or near the conclusion of the **2023 Connecticut Zero Carbon and Offshore Wind Solicitation Process** that they honored and complied with the Standard of Conduct in a form consistent with Appendix B of the Standard of Conduct; and (d) I have no knowledge, and no reason to believe, that there has been any failure to comply with the Standard of Conduct.

Signed: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

## **APPENDIX G-2 (United Illuminating) UTILITY STANDARD OF CONDUCT**

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**APPENDIX G-2 (United Illuminating)**  
**UTILITY STANDARD OF CONDUCT**

**July 1, 2019**

**INTRODUCTION**

On June 7, 2019, the Connecticut Department of Energy and Environmental Protection (“DEEP”) issued a Notice of Scope of Proceeding (the “Notice”) for the Procurement of Offshore Wind Facilities pursuant to Section 1 of Public Act 19-71, *An Act Concerning the Procurement of Energy Derived From Offshore Wind* (the “Act”). Under the Act, the Commissioner of DEEP (the “Commissioner”), in consultation with the Public Utilities Regulatory Authority’s procurement manager, the Office of Consumer Counsel and the Office of the Attorney General, may issue one or more solicitations for long-term contracts with providers of energy derived from offshore wind facilities that are Class I renewable energy sources, as defined in section 16-1 of the Connecticut General Statutes. . The Act provides that the Commissioner shall consider specified factors, including but not limited to whether the proposal is in the best interest of ratepayers, in making any selection of such proposals, and may direct the electric distribution companies (“EDCs”) to enter into long-term contracts with the resource providers. Pursuant to the Notice, these resources may include any combination of energy, capacity, environmental attributes, and any associated transmission (the “Energy Resources”). The Act further provides that the total nameplate capacity rating of any proposal(s) selected, in the aggregate, shall not exceed two thousand megawatts, and any long-term contracts entered into pursuant to the Act with any Energy Resources shall be for a period of not more than twenty years. DEEP has asked the State’s EDCs (including The United Illuminating Company (“UI”)) to participate in the solicitation and evaluation process for Energy Resources (the “Solicitation Process”). It is recognized that the each of the EDCs (and/or their affiliates) may also participate in the Solicitation Process as a bidder of Energy Resources.

The purpose of this Utility Standard of Conduct is to establish uniform protocols and guidelines to govern the participation of UI in the Solicitation Process, and nothing in this document is intended to affect or modify the rights, obligations or duties of UI arising under the applicable state statutes.

UI acknowledges the need for it to follow certain standards of conduct to ensure that the Solicitation Process is conducted in a fair, transparent, and competitive manner, that all laws, regulations, rules and standards and codes of conduct are observed, that all potential bidders are treated equally, that no potential bidder receives preferential treatment or non-public information not available to other potential bidders, enabling it to gain an unfair advantage, and that the efforts of UI in the Solicitation Process do not create any actual or apparent conflict of interest. UI seeks to avoid any actual or apparent conflict of interest as it (or affiliates) may seek to submit a proposal and participate in the solicitation and evaluation of proposals for which one or more of the EDCs may be directed to enter into one or more contracts.

## **GUIDELINES**

Employees or agents of UI (including employees or agents of its affiliates) participating in the Solicitation Process will follow these proceeding guidelines and must acknowledge and be bound to follow these guidelines in all circumstances.

1. Each individual designated to participate in the Solicitation Process shall have an identified role in the process. Individuals shall be designated to be on either a Bid Team or an Evaluation Team. No individual shall be a member of both teams, and no individual may change from one team to the other during the Solicitation Process. The Bid Team shall include members who are responsible for the development of proposals in response to Request for Proposals ("RFP"), including any subject matter experts. The Evaluation Team, which will also collaboratively participate with DEEP in developing the Solicitation Process consistent with the Act, will assist DEEP with the development of RFPs for Energy Resources, the evaluation of proposals, selection of proposed projects, and will be responsible for negotiation of any agreements on behalf of the EDCs, and preparing and submitting any related filings with State and/or federal regulatory authorities. UI may take further action as it deems necessary or appropriate to avoid an actual or perceived conflict of interest. Throughout the Solicitation Process the Bid Team and the Evaluation Team will each be represented by separate legal counsel. In connection with the development of RFP(s) that will form part of any Solicitation Process, there should be an ongoing assessment regarding any additional measures that could be instituted to avoid any actual or apparent conflict of interest and whether it would be practicable to do so.

2. The Bid Team and the Evaluation Team shall report through and operate within independent companies, business units or departments, to the extent feasible based on the corporate and organizational structure of UI, its affiliates and its parent company.
3. In the event that UI submits a bid in connection with the Solicitation Process, UI agrees and commits to include in any bid offered in response to the Solicitation Process a full disclosure of any ownership interest, financial interest, or other potential conflict of interest with respect to that bid.
4. No non-public information regarding the solicitation or evaluation process, a proposal, or the evaluation of any proposal will be communicated from members of UI's Evaluation Team to any Bid Team, except as provided to all bidders pursuant to the Solicitation Process. Further, no member of the Evaluation Team may consult, advise or communicate directly or indirectly with a member of any Bid Team member about the solicitation process, any proposal, or the evaluation of any proposal during the bid preparation, submission or evaluation process, and vice-versa, except through the Solicitation Process.
5. Because personnel are divided into an Evaluation Team and a Bid Team subject to the standards contained in these guidelines, Evaluation Team members shall be permitted to participate in the evaluation of all projects including any proposal submitted by UI (or its affiliate).
6. These guidelines shall be communicated to all persons on a Bid Team or Evaluation Team, and those persons shall certify in writing their commitment to honoring the guidelines and to referring any questions regarding compliance with the guidelines to legal counsel designated to assist such Team members.
7. One or more legal points of contact shall be designated and provided to the Commissioner or the Commissioner's designee (or such other person as applicable under the circumstances), to work through any unforeseen issues relative to standards of conduct that may arise over the course of the Solicitation Process.

8. These guidelines shall be in place until the earlier of (1) the conclusion of the last regulatory filing or approval proceeding resulting from the applicable Solicitation Process, or (2) the last withdrawal by UI or its affiliate from the Solicitation Process.

[SIGNATURE PAGE FOLLOWS]

THE UNITED ILLUMINATING COMPANY

By: \_\_\_\_\_

Name:

Title:

## APPENDIX H

### INDEXING ADJUSTMENT MECHANISM

Indexed Price Bids will be subject to a one-time adjustment to reflect changes in the costs of certain underlying commodities and other cost components, which may occur subsequent to the Bid Due Date. The adjustment will be based on the Composite Set of Indices, as defined below. The weightings for each component in the Composite Set of Indices are fixed and cannot be altered by the Bidder. The adjusted power purchase agreement (PPA) price will be calculated as:

$$PPA_{final} = PPA_{base} \times \left[ 0.25 + \left( 0.30 \times \frac{CPI_f}{CPI_i} \right) + \left( 0.12 \times \frac{Steel_f}{Steel_i} \right) + \left( 0.06 \times \frac{Copper_f}{Copper_i} \right) + \left( 0.07 \times \frac{Fuel_f}{Fuel_i} \right) + \left( 0.11 \times \frac{Labor_f}{Labor_i} \right) + \left( 0.09 \times \frac{Fab_f}{Fab_i} \right) + \left( 0.67 \times (Interest_f - Interest_i) \right) \right]$$

Where:

$PPA_{final}$  is the PPA price after applying the Indexing Adjustment on the Adjustment Date (\$/MWh)

$PPA_{base}$  is the PPA price as bid on the Bid Due Date (\$/MWh)<sup>22</sup>

$CPI_f$  is the final value of the Consumer Price Index (CPI) (unitless)

$CPI_i$  is the initial value of the Consumer Price Index (CPI) (unitless)

$Steel_f$  is the final value of the index for Steel (unitless)

$Steel_i$  is the initial value of the index for Steel (unitless)

$Copper_f$  is the final value of the index for Copper (unitless)

$Copper_i$  is the initial value of the index for Copper (unitless)

$Fuel_f$  is the initial value of the index price for Fuel (\$/gallon)

$Fuel_i$  is the initial value of the index price for Fuel (\$/gallon)

$Labor_f$  is the final value of the index for Labor (unitless)

$Labor_i$  is the initial value of the index for Labor (unitless)

$Fab_f$  is the final value of the index for Fabrication (unitless)

$Fab_i$  is the initial value of the index for Fabrication (unitless)

$Interest_f$  is the final value of the index rate for Interest (percent)

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<sup>22</sup> If a Bidder is offering a PPA price that increases by a fixed amount or fixed percentage in each year, the  $PPA_{final}$  and  $PPA_{base}$  are the first contract year prices.

$Interest_i$  is the initial value of the index rate for Interest (percent)

The data source for each index used in the formula above is defined in Table 1. Initial and final values for each index will be calculated as shown in Table 2.

Table 1 identifies the publicly available data from the U.S. Bureau of Labor Statistics (BLS), U.S. Energy Information Administration (EIA), and the Federal Reserve that will be the source for each component index.

**Table 1. Data Sources for Indices**

Index	Data Source
CPI	U.S. BLS, Data Series CUUR0000SA0L1E, All items less food and energy in U.S. city average, all urban consumers, not seasonally adjusted
Steel	U.S. BLS, PPI, Data Series PCU33110331110, Iron and steel mills and ferroalloy manufacturing, not seasonally adjusted
Copper	U.S. BLS, PPI, Data Series WPU102403, Metals and metal products – Secondary copper, alloyed and unalloyed, not seasonally adjusted
Fuel	U.S. EIA, Petroleum & other liquids, New York Harbor Ultra-Low Sulfur No 2 Diesel, average of daily prices for each trading day of the month
Labor	U.S. BLS, Data Series CIU20200000000001, Wages and salaries for Private Industry workers in All industries and occupations, not seasonally adjusted (Quarterly data)
Fabrication	U.S. BLS, Data Series PCU811310811310, Commercial machinery repair and maintenance, not seasonally adjusted
Interest	FRED St. Louis Federal Reserve, U.S. Treasury Securities at 10-Year Constant Maturity, Quoted on an Investment Basis (DGS10), average of daily quoted prices for the month

**Table 2. Calculation of Initial and Milestone Index Values**

Index	Initial Value on Bid Due Date	Final Value on Adjustment Date
Steel	Average of September, October, and November 2023 monthly values	Average of 3 months prior to Adjustment Date
Copper	Average of September, October, and November 2023 monthly values	Average of 3 months prior to Adjustment Date
Fuel	Average of daily prices for months of September, October, and November 2023	Average of daily prices for 3 months prior to Adjustment Date
Labor	Last available quarterly value prior to Bid Due Date	Last available quarterly value prior to Adjustment Date
Fabrication	Average of September, October, and November 2023 monthly values	Average of 3 months prior to Adjustment Date
CPI	Average of September, October, and November 2023 monthly values	Average of 3 months prior to Adjustment Date
Interest	Average of daily rates for months of September, October, and November 2023	Average of daily rates for 3 months prior to the Adjustment Date

## **Implementation**

- DEEP will publish the monthly index values for September, October, and November 2023 that are used to calculate three-month averages on DEEP's Energy Filings page as soon as possible after publication. The last available quarterly data for Labor is anticipated to be the value for the third quarter of 2023. The initial index values for each of the Composite Set of Indices will be published as soon as possible, but in no event later than December 31, 2023.
- All index ratios and the interest rate differential will be calculated to the same number of significant digits to the right of the decimal point as the published data. The PPA price after calculating the adjustment will be rounded to the nearest \$0.01 per MWh.
- The Selection Team, in consultation with the Evaluation Team, may select either the fixed price bid or the Indexed Price Bid for the same project alternative, but they are understood to be mutually exclusive.
- Note that some indices published by the BLS are subject to revision for up to four months after original publication. However, the final index values used to calculate the initial and final PPA prices will not be updated.