

**Appendix 2-1: Eligibility and Threshold Requirements (Stage 1)**

| Requirement Number | RFP Reference                                   | Requirement Description   | Our Proposal  | Proposal Reference          |
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| 1                  | 2.2.1 Eligibility, Threshold, and Other Minimum | Proposals that fail to meet one or more of the following eligibility requirements may lead to disqualification of the proposal from further review and evaluation.  | Deepwater Wind has met the Eligibility Requirements as outlined below   | Section 2 Executive Summary |
|                    | 2.2.1.1 Eligible Bidder                         | An eligible bidder is the developer of Offshore Wind Energy Generation or is in possession of the development rights to Offshore Wind Energy Generation.  | Deepwater Wind is the developer of and in possession of the development rights to Offshore Wind Energy Generation by virtue of holding BOEM Lease OCS-A 0486 and therefore is an Eligible Bidder.   | 2.4.1                       |
|                    | 2.2.1.2 Eligible Proposal Size                  | <p>The Distribution Companies are seeking to procure a total of approximately 400 MW of Offshore Wind Energy Generation. This solicitation also allows bidders to offer proposals for up to 800 MW, and the Distribution Companies will consider procuring up to 800 MW if the Evaluation Team determines that a larger-scaled proposal is both superior to other proposals submitted in response to this RFP and is likely to produce significantly more economic net benefits to ratepayers based on the evaluation criteria set forth in this RFP.</p> <p>Each eligible bidder is required to submit at least one proposal of 400MW. An eligible bidder may also submit alternative proposals with a nameplate capacity of no less than 200 MW and no greater than 800 MW.</p> <p>A bidder offering such alternative proposal(s) may present the same terms, schedule and pricing of the required proposal, with additional capacity, or may present entirely new terms for either portions of the proposal(s) or for the aggregate total capacity.</p> <p>All proposals must provide for a scheduled commercial operation date before January 1, 2027.</p> <p>Eligible bidders submitting multiple alternative proposals must specify whether any of their proposals are negatively contingent upon any of their other proposals (i.e., eligible bidders must specify whether acceptance of a certain proposal or proposals will preclude the Distribution Companies from accepting some other proposal or proposals submitted by the same eligible bidder).</p> <p>If a bidder proposes to construct an eligible project in phases of development, a reasonable number of phases and associated dates for commercial operation date of these phases may be offered. As noted in Section 2.2.1.6 below, in recognition of the 15 to 20 year contract term, multiple contracts may be issued for projects developed in phases. Bidders should indicate their expectation for the number and timing of contracts.</p> | Deepwater Wind has submitted the conforming 400 MW proposal and all alternative Project sizes are between the 200 and 800 MW requirements for an Eligible Project Size. In addition, our COD Dates are all before 1/1/2027 requirement. We have specified that our alternative proposals are negatively contingent and identified the number and timing of PPAs for our phased proposals. | Section 1                   |

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| <p>2.2.1.3 Eligible Bid Categories</p> | <p>An eligible bidder proposing to sell Offshore Wind Energy Generation Resources and/or associated RECs pursuant to a Long-Term Contract must propose a price schedule for energy deliveries that conforms to Section 2.2.1.4 of this RFP. Subsections 2.2.1.3.1 and 2.2.1.3.2 below describe the categories of proposals that are being solicited pursuant to this RFP. For each Offshore Wind Energy Generation proposal size that a bidder submits, the bidder must submit a proposal that (a) conforms to subsection 2.2.1.3.1 of this RFP and a separate proposal that (b) conforms to subsection 2.2.1.3.2 of this RFP.</p> <p>All proposals must include a commitment to interconnect to the ISO-NE Pool Transmission Facilities (“PTF”) at the Capacity Capability Interconnection Standard, as defined by ISO-NE.</p> <p>The bidder must provide delivery profile schedules of Offshore Wind Energy Generation with its proposal. In accordance with Section 83C, proposals must be cost effective for ratepayers over the duration of the Long-Term Contract and allow for the mitigation of environmental impacts. Consistent with these objectives, and to ensure that proposals reflect potential ratepayer benefits associated with the future deployment of offshore wind facilities pursuant to Section 83C, bidders must submit a proposal that conforms to subsection 2.2.1.3.1 and 2.2.1.3.2 for each eligible generation submission.</p> <p>Offshore Wind Energy Generation may be paired with energy storage systems. The bidder proposing Offshore Wind Energy Generation with energy storage must provide an annual schedule of Offshore Wind Energy Generation with its proposal. Bidders are encouraged to propose delivery profiles which they expect will add the most value for Massachusetts ratepayers, (e.g., largely follows the Commonwealth’s anticipated load shape or delivers on peak).</p> <p>The seller for Offshore Wind Energy Generation who fails to deliver energy and/or RECs as pursuant to its contract with the Distribution Company may be responsible for liquidated damages for the energy and/or associated RECs not provided, and for associated transmission support costs incurred in connection with the Offshore Wind Energy Generation not provided. The forms of Long-Term Contracts included in Appendix C-1 and C-2 contain the terms and conditions for the sale of Offshore Wind Energy Generation and RECs.<sup>12</sup> Appendix C-3 contains the contract and tariff requirements for service in connection with Offshore Wind Energy Generation with a Project Specific Generator Lead Line Proposal with cost recovery under a FERC tariff in section 2.2.1.3.1 (2), and for Offshore Wind Generation with an Expandable Transmission network service described in section 2.2.1.3.2.</p> | <p>Deepwater Wind has committed to interconnect at the PTF under the CCIS standard and submitted Interconnection Queue requests evidencing such. NGRID has submitted an ETU interconnection request for the full 1,600, has executed the SIS Agreement and expects their SIS sometime in early 2018.</p> | <p>Sections 6, 15, and 17 and Appendices 6-4, 6-5, 6-6, 6-7, 6-9, 16-1, and 17-1</p> |
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| <p>2.2.1.3.1 Gen Lead</p> | <p>An Eligible Bidder proposing to sell Offshore Wind Energy Generation and/or associated RECs pursuant to a Long-Term Contract must include a proposal for delivery facilities comprising generator lead line(s) and all associated facilities required for delivery from the Offshore Wind Energy Generator directly to the corresponding onshore ISO-NE PTF system facilities (“Project Specific Generator Lead Line Proposal”). Bidders may consider more than one point of on-shore interconnection. Such a proposal may provide for payment either (1) through an all-in price schedule for Offshore Wind Energy Generation and/or associated RECs that includes the cost of such delivery facilities via power purchase agreement, or (2) separately from the generation and/or RECs pricing, through a FERC-accepted OATT, Rate Schedule, or Tariff and Service Agreement with terms consistent with those detailed in the applicable provisions of Attachment C-3. If a bidder elects to use pricing approach (2), then the bidder must include the following information:</p> <ul style="list-style-type: none"> <li>a. The proposed payment required. If the proposed payment may change during the contract term, then the bidder must also provide the method that the bidder shall use to determine the payment for the project under the Rate Schedule or Tariff and Service Agreement to be filed with FERC. If the proposed payment is a formula rate, then the bidder must also provide the formula that the bidder will file with FERC;</li> <li>b. If the proposed payment is based on the project’s cost of service and such payment may change during the contract term based on changes in the cost of service, then a full revenue requirements model must be submitted as a working Excel spreadsheet with the formulas intact including all assumptions;</li> <li>c. Sufficient documentation that will demonstrate that the bidder’s proposal is consistent with FERC precedent; and</li> <li>d. Provide all applicable documentation requested in Section 15 of the Bidder Response Package.</li> </ul> | <p>Deepwater Wind is proposing for all of its Generating offerings to interconnect at the ISO-NE PTF and is providing for payment through option 1 (all-in price for Energy and Recs).</p> | <p>Table 2-1 in Section 2</p> |
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| <p>2.2.1.3.2<br/>Expandable<br/>Transmission</p> | <p>In addition to Project Specific Generator Lead Line Proposal bid component, as described in Subsection 2.2.1.3.1, above, each proposal to sell Offshore Wind Energy Generation and/or associated RECs pursuant to a Long-Term Contract must also include a proposal for nondiscriminatory access to Offshore Delivery Facilities that are part of an expandable transmission network, to be designed and constructed by the Offshore Wind Energy Generation bidder, either alone, in combination with other bidders, or in partnership with a third-party developer, to deliver Offshore Wind Energy Generation to the corresponding onshore ISO-NE PTF system facilities (“Expandable Transmission Proposal”).</p> <p>Expandable Transmission Proposals are intended to support development of the offshore wind energy market by providing current and future Offshore Wind Energy Generation developers with expandable, nondiscriminatory, open-access facilities for the efficient delivery of their power to the corresponding onshore ISO- NE PTF system facilities.</p> <p>Consistent with this purpose, the Expandable Transmission Bid must satisfy the following requirements:</p> <p>(1) Include shared facilities with excess capacity and/or efficiently and cost-effectively expandable capacity associated with the collection and transmission of offshore energy, such as an offshore switching station;</p> <p>(2) The shared facilities should be sized or expandable to accommodate interconnection of the 1600 MW of aggregate nameplate capacity of Offshore Wind Energy Generation contemplated by Section 83C.</p> <p>In addition to the required 1600 MW bid described in the last sentence, bidders also have the option to submit additional bids for expandable transmission facilities of other sizes and configuration. Submission of such optional bids will not relieve bidders of the requirement to submit a bid for expandable transmission facilities of 1600 MW;</p> <p>(3) Each proposed offshore transmission facility (including the 1600 MW required bid or any optional bids described in (2), above), such as an offshore switching station, must be designed to provide proposed Offshore Wind Energy Generators with a nondiscriminatory access to transmission service, and must avoid, to the extent reasonably possible, any advantage or preference for any Offshore Wind Generators’ delivery of its output to the Onshore Transmission System. The proposed offshore transmission facilities must accommodate all existing and currently planned Offshore Wind Energy Generation up to the capacity of the proposed transmission facilities, and should, to the extent possible, be designed to be expandable to accommodate reasonably anticipated future Offshore Wind Energy Generation.</p> <p>(4) The shared facilities must be available to all potential future bidders on a non-discriminatory basis under either a FERC tariff or on some other basis described in detail by the bidder including future interconnection requests;</p> | <p>Deepwater Wind, with support from GridAmerica has included an Expandable Transmission Proposal as required that delivers onshore to the ISO-NE PTF. Our unique proposal is designed to include shared facility and real estate to accommodate economic expansion up to the 1,600 MWs as required but does not place risk of economic burden on the ratepayers of MA. The shared facilities will be available on a non-discriminatory to future bidders. The transmission facilities will be operated by ISO-NE through a FERC approved rate schedule that is described in our proposal.</p> | <p>Sections 15 and 17<br/>and related<br/>Appendices.</p> |
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| <p>2.3.1.3.2<br/>Expandable<br/>Transmission<br/>(cont)</p> | <p>(5) The shared facilities and the build-out plan should provide for and mitigate the overall costs and maximize total benefits, including but not limited to ratepayer costs, stranded costs, and environmental impacts; and</p> <p>(6) Expandable Transmission Proposal must propose an OATT, Rate Schedule, or Tariff with terms consistent with those detailed in Attachment C, including an open access obligation and a duty to expand facilities if necessary to accommodate new interconnection requests.</p> <p>All Expandable Transmission Proposals, whether required or optional, must comply with Section 2.2.1.3 of this RFP, provide that the transmission facilities are to be operated by ISO-NE as part of the unified transmission grid, and provide for payment through a FERC-accepted OATT, Rate Schedule, or Tariff and Service Agreement with terms consistent with those detailed in Attachment C.</p> <p>The bidder must provide detailed information on its proposed transmission facilities proposal(s), including, as appropriate:</p> <ul style="list-style-type: none"> <li>a. The proposed payment required. If the proposed payment may change during the contract term, then the bidder must also provide the method that bidder shall use to determine the payment for the project under the Rate Schedule or Tariff and Service Agreement to be filed with FERC. If the proposed payment is a formula rate, then the bidder must also provide the formula that the bidder will file with FERC;</li> <li>b. If the proposed payment is based on the project's cost of service and such payment may change during the contract term based on changes in the cost of service, then a full revenue requirements model must be submitted as a working Excel spreadsheet with the formulas intact including all assumptions;</li> <li>c. Sufficient documentation that will demonstrate that the bidder's proposal is consistent with FERC precedent; and</li> <li>d. Provide all applicable documentation requested in Section 15 of the Bidder Response Package.</li> </ul> | <p>See above</p> |  |
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| <p>2.2.1.4 Allowable Pricing Forms</p> | <p>i. Pricing for Offshore Wind Energy Generation and/or associated RECs must conform to the following pricing requirements:</p> <p>a. A proposal to sell Offshore Wind Energy Generation and/ or associated RECs, or both, must propose a price on a fixed \$/MWh and/or \$/REC basis, as applicable. Prices may be the same each year or change by a defined rate or amount over time.</p> <p>b. Payments must be calculated on a \$/MWh or \$/REC basis for actual production following delivery. No lump sum payments, pre-payments or fees shall be paid.</p> <p>c. Proposals including Offshore Wind Energy Generation and RECs, or a portion thereof, must provide separate prices for such Offshore Wind Energy Generation and RECs. For such proposals, if a Distribution Company agrees to purchase both Offshore Wind Energy Generation and RECs under a Long-Term Contract and the RECs cease to conform to the RPS Class I eligibility criteria, the applicable Distribution Company may thereafter only pay for electric energy under that Long-Term Contract. Pricing for Offshore Wind Energy Generation and RECs must align with the relative market value of those products.</p> <p>d. Proposals for RECs only must be priced in \$/REC, and only RECs produced by the designated facility that conform to the RPS Class 1 eligibility criteria will be purchased.</p> <p>e. Under the terms of the PPA, in the event that the Locational Marginal Pricing (“LMP”) for the Clean Energy at delivery point is less than \$0.00 per MWh in any hour, then the Buyer will purchase the Delivered Energy and/or RECs at the contract rate and Seller shall credit to Buyer, on the appropriate monthly invoice, an amount equal to the product of (i) such Clean Energy Delivered in each such hour; and (ii) the absolute value of the hourly LMP at such Delivery Point.</p> <p>f. The Distribution Companies are also interested in considering proposals that include a Distribution Company entitlement to all of the RECs associated with an Offshore Wind Energy Generation project for the project’s life, with any cost for such entitlement amortized over the term of the Long-Term Contract and recovered only under the term of that Long-Term Contract. This proposal would only be considered as an alternative to a proposal that limits the transfer of the entitlement to the RECs to the primary contract term of the Long Term Contract. Proposals will also be considered that include a Distribution Company entitlement to all of the RECs associated with an Offshore Wind Energy Generation project for a period shorter than a project’s life, but beyond the term of the Long-Term Contract, with any costs for such entitlement amortized in the manner noted above. A bidder offering this alternative proposal must identify any changes to the price or other terms of its proposal, and must also detail the proposed terms and conditions associated with the transfer of the entitlement to the RECs after the primary term of the Long Term Contract, including for example a forecast of the project’s life, and forecast of RECs to be delivered each year beyond the primary term. Bidders are not required to pay an additional bid fee for this alternative proposal.</p> | <p>Deepwater Winds proposals price Energy and Recs on a fixed \$/MWh and \$/REC basis with a fixed escalator and payment is based on actual deliveries of these products. We have aligned the pricing of Energy and RECs with the relative market values of these prices. We understand and accept the fact that only RPS Class I qualifying RECs will be purchased and treatment of negative LMPs at our Delivery Point laid out in this requirement.</p> | <p>Section 2 and Section 16 with related Appendices</p> |
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| <p>2.2.1.4 Allowable Forms of Pricing(cont)</p>  | <p>ii. Pricing for Offshore Delivery Facilities components of proposals, as part of a bid, must conform to the following pricing requirements:</p> <p>a. The cost of generator-related facilities, such as low-voltage collector cables up to the high side of the generator transformers, must be recovered under the PPA rather than any FERC-jurisdictional OATT, tariff, or rate schedule.</p> <p>b. Pricing for the Offshore Delivery Facilities components of proposals should be proposed separately under a FERC- filed tariff or rate schedule that is in form and substance likely to be acceptable to FERC, as determined by the Evaluation Team.</p> <p>c. Fixed prices are encouraged for Offshore Delivery Facilities components and pricing. Cost of service is allowed for Offshore Delivery Facilities pricing proposals; however, all such proposals must include significant cost containment features (examples of such features include, fixed price components, cost overrun restrictions, or other cost bandwidth provisions). Bids that limit ratepayer risk to a greater degree will be viewed more favorably.</p> <p>Offshore Delivery Facilities components of proposals must provide all requested information about the Offshore Delivery Facilities project costs, design, vendors, and contracts described in the Bidder Response Package. All Offshore Delivery Facilities project proposals must also address the applicable terms shown in Appendix C-3 to this RFP and cost of service proposals must provide a working Excel spreadsheet with a full revenue requirements model showing the transmission components proposal’s cost of service during and after the contract term. Proposals must include sufficient documentation that will demonstrate that their pricing is consistent with FERC precedent.</p> | <p>Deepwater Wind is only proposing a tariff option (Offshore Delivery Facility) under the Expandable Transmission Proposal and has included all facilities from the Generator to up to the high side of the generator transformers in the PPA price for Energy and Recs. Our Expandable Transmission Proposal does include a FERC-filed rate schedule that is in form likely to be acceptable to FERC. Our rate structure does not require any payments by ratepayers.</p> | <p>Sections 6 and 15 and related Appendices</p>  |
| <p>2.2.1.5 Affiliate Relationship Disclosure</p> | <p>All bidders are required to disclose any and all affiliations and affiliate relationships, joint ventures, or wholly owned subsidiaries in such detail as to allow the Evaluation Team to be able adequately determine the bidder’s corporate structure as described in Appendix B to this RFP. Bidders are required to provide complete and accurate information. Any bidder failing to provide complete and adequate information will not be considered eligible under this solicitation.</p> <p>In addition, bidders are required to disclose and document any and all direct and indirect affiliations and affiliate relationships, financial or otherwise, between the bidder and any of the Distribution Companies, including any relationship in which any of the Distribution Companies has a financial or voting interest (direct or indirect) in the bidder or the bidder’s proposed project. These relationships would encompass, but are not be limited to:</p> <ul style="list-style-type: none"> <li>• Corporate or other joint arrangements, joint ventures, joint operations whether control exists or not;</li> <li>• Minority ownership (less than 50 percent (50%) investee);</li> <li>• Joint development agreements;</li> <li>• Operating segments that are consolidated as part of the financial reporting process;</li> <li>• Related parties with common ownership;</li> <li>• Credit, debenture, and financing arrangements, whether a convertible equity feature is present or not; and</li> <li>• Wholly owned subsidiaries.</li> </ul>  | <p>Complete and Accurate Disclosure are made.</p>   | <p>Sections 5.2, 5.15, 5.17, 5.18, 5.19, 5.20, 5.22, &amp; 5.23 and related Appendices</p> |

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| 2.2.1.6 Contract Term        | <p>The contract term for Long-Term Contracts is defined by Section 83C as a contract for a period of 15 to 20 years. Within these statutory parameters, bidders are encouraged to make their own determination as to the product delivery term that best fit their needs while meeting the requirements of this RFP. For projects developed in phases and in recognition of the 15 to 20-year contract term specified in Section 83C, the Distribution Companies will consider issuance of multiple contracts. Bidders should indicate their proposed number and timing of contracts.</p>  | <p>Deepwater Wind is proposing 20-year contract terms for our proposals. We have identified the number and timing of the contracts for our phased offerings.</p>   | <p>Section 2 and related Appendices</p>                           |
| 2.2.1.7 Capacity Requirement | <p>A proposal must describe the amount of capacity, and the capacity commitment period, for which the bidder expects the generation unit in their proposal to qualify under the Forward Capacity Auction Qualification (“FCAQ”) requirements set forth in Section III.13.1 of Market Rule 1 of ISO-NE’s Transmission Markets and Services Tariff and how the bidder expects to meet those requirements. Such requirements include, among others, satisfaction of the Capacity Capability Interconnection Standard and the remedying of any issues identified in the overlapping impact analysis. This FCAQ amount must be consistent with the amount that would typically be expected for similar projects of the same nameplate rating and technology type and location. The Distribution Companies will not purchase capacity under the Long-Term Contracts, and bidders will retain any Forward Capacity Market revenues received from ISO-NE.</p> <p>Notwithstanding the above, each project must include a commitment to interconnect to the PTF at the Capacity Capability Interconnection Standard.</p> | <p>Deepwater Wind has provided the amount of capacity and the capacity commitment period we expect to seek qualification. We understand the utilites will not be procuring Capacity. We have entered the ISO-NE queue as a CCIS resource, connecting to the PTF system. We commit to remedy any issues identified in the overlapping impact study performed by ISO-NE.</p> | <p>Sections 2.3, 2.4.1, 3.4, 4.2, 5.14 and related Appendices</p> |



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| <p>2.2.1.8<br/>Interconnection<br/>and Delivery<br/>Requirements</p> | <p>The delivery of Offshore Wind Energy Generation from a generation unit must occur throughout the term of the contract. Substitution of non- Offshore Wind Energy Generation is not allowed for delivery or firming of delivery. It is the responsibility of the bidder to satisfy the delivery requirement. The delivery point must be located so that Distribution Companies are not responsible for wheeling charges to move energy to the PTF. The Distribution Companies will not be responsible for any costs associated with delivery other than the payment of the bid prices. Similarly, Distribution Companies will not be responsible for any scheduling associated with delivery. The bidder will be responsible for all costs associated with and/or arising from interconnecting its project to the PTF using the Capacity Capability Interconnection Standard and for ensuring that the Offshore Wind Energy Generation is recognized in ISO-NE’s settlement system as injected in the ISO-NE energy market at a specified and agreed upon pricing node.</p> <p>The Distribution Companies are seeking projects where energy is able to be delivered to their ratepayers without material constraint or curtailment, and the bidder is obligated to demonstrate how this delivery standard is to be satisfied. Bidders must demonstrate that their proposed point of delivery into ISO-NE, along with their proposed interconnection and transmission upgrades, is sufficient to ensure full delivery of the proposal’s Offshore Wind Energy Generation profile. Proposals must include all interconnection and transmission upgrade costs required to ensure full delivery of the proposed Offshore Wind Energy Generation profile, including transmission upgrades that may need to occur beyond the point of interconnection. Proposals that fail to provide sufficient supporting documentation or information necessary to reasonably ensure full delivery of the proposed Offshore Wind Energy Generation profile under a range of assumptions may be eliminated from further evaluation.</p> <p>At no time will one or more Distribution Companies assume the responsibility of Lead Market Participant, as defined by ISO-NE.</p> <p>The generation unit shall comply with all ISO-NE and FERC interconnection requirements for generation facilities and interregional ties, as applicable. Any RECs associated with the Offshore Wind Energy Generation and purchased pursuant to the Long-Term Contract must be delivered into the Distribution Companies’ NEPOOL GIS accounts.</p> <p>To meet this requirement, bidders must submit a plan that clearly demonstrates how Offshore Wind Energy Generation will be delivered from or by the proposed eligible project to the delivery point that is a PTF Node as outlined in Section 6 of Appendix B to this RFP.</p> | <p>Deepwater Wind understands it is responsible for and will be satisfying the delivery requirement to the PTF and that the distribution companies are not responsible for scheduling deliveries. We understand we are responsible for all interconnection costs and any costs associated deliveries being recognized in the ISO-NE settlement system. We have demonstrated deliverability requirements by performing third party feasibility and overlapping impact studies from Siemens. We agree to deliver any RECs associated with our Project to the NEPOOL GIS Accounts of the Distribution Utilities. We have submitted provide the necessary details and route to demonstrate how the Offshore Wind Energy Generation will be delivered by our Project to the PTF Node.</p> | <p>Sections 2 and 6<br/>and related<br/>Appendices</p> |
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| 2.2.1.8 Interconnection and Delivery Requirements (cont) | <p>The bidder must detail the status (and conclusions, as available) of interconnection applications and studies, as further described in Section 6 of Appendix B to this RFP.</p> <p>All bidders must have filed interconnection requests with ISO-NE as necessary and sufficient to gain a full understanding of the maximum expected interconnection costs for their proposed Offshore Wind Generation capacity(ies), and for the potential Offshore Wind Generation capacity(ies) to be interconnected through their Expandable Transmission Proposals(s). Projects that have received their I.3.9 approval from ISO-NE must identify that approval and include such documentation in their proposal. Proposals for projects that do not have I.3.9 approval from ISO- NE must include technical reports or system impact studies that approximate the ISO-NE interconnection process, including but not limited to clear documentation of study technical and cost assumptions, reasoning, and justification of such assumptions. All studies must assume the project will interconnect using the Capacity Capability Interconnection Standard, must use the current ISO-NE interconnection process (including network impact scenarios from multiple projects interconnecting), and must also detail any assumptions with respect to projects that are ahead of the proposed project in the ISO-NE interconnection queue and any assumptions as to changes to the transmission system that differ from the current ISO-NE Regional System Plan. Proposals are strongly encouraged to include a scenario analysis in their studies that shows how changes in the project interconnection queue could impact their interconnection costs using the current ISO interconnection rules. In addition, to the extent that ISO-NE is considering changes to the current interconnection rules, bidders may also submit studies using the new ISO- NE-proposed process. Any such studies must be accompanied with clear documentation of study technical and cost assumptions, reasoning, and justification of such assumptions. The Evaluation Team may consider such additional studies during the evaluation process if applicable, but will not consider submissions based on interconnection processes or rules that have not been proposed by ISO-NE.</p> | Deepwater Wind has provided the status and materials related to the interconnection of our Proposed Project. Although we do not have I.3.9 approval we have provided third party studies related to interconnection that approximate the ISO-NE interconnection process. We have detailed assumptions related to projects ahead of our Project in the queue. | Sections 2 and 6 and related Appendices  |
| 2.2.1.9 Proposal Completeness                            | <p>Bidders must follow the instructions provided in Appendix B to this RFP and provide complete responses. Bidders are also required to fill out Appendix D to this RFP. Bidders are required to provide the information specified in each section of the CPPD. If any of the information requested is inconsistent with the type of technology or product proposed, the bidder should include "N/A" and describe the basis for this determination. If a bidder does not have the information requested in the bid forms and cannot obtain access to the information prior to the bid submittal due date, the bidder should provide an appropriate explanation, and a subsequent update as described below.</p> <p>Appendices C-1 and C-2 to this RFP are the form of the Draft Contracts and Appendix C-3 is the Offshore Delivery Facilities Service Requirements for this solicitation. Bidders must include a marked version showing any proposed changes to the Draft Contracts with their bid, and it is assumed that bidders would be willing to execute the marked-up contract included in their bids. Bidders are discouraged from proposing material changes to the Draft Contracts or material deviations from the Offshore Delivery Facilities tariff and contract requirements.</p>  | Deepwater Wind has followed the instructions in Appendix B to the RFP and provided complete responses. We have completed the CPPD as identified in this requirement. We have redlined the Drafts Contracts as requested.   | Sections 1, 2, 16 and related Appendices |
| 2.2.1.9.1 Bid Fees                                       | Each applicant must submit the bid fee for each proposed eligible project as described in Section 1.10 of this RFP.   | Deepwater Wind has submitted the required bid fees.  | Section 2.4.2                            |

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| 2 | 2.2.2 Threshold Requirements                       | Proposals that meet all the eligibility requirements will then be evaluated to determine compliance with threshold requirements, which attempt to screen out proposals that are insufficiently mature from a project development perspective; lack technical viability; impose unacceptable balance sheet impacts on the Distribution Companies; do not satisfy the minimum requirements set forth in Section 83C; are not in compliance with RFP requirements pertaining to credit support; or fail to satisfy minimum standards for bidder experience and ability to finance the proposed project. The threshold requirements for this RFP are set forth below.  |  | Section 2 and related Appendices        |
|   | 2.2.2.1 Site Control and Related Agreements        | The bidder must demonstrate that it has a federal lease issued on a competitive basis after January 1, 2012 for an Offshore Wind Energy Generation site that is located on the Outer Continental Shelf and for which no turbine is located within 10 miles of any inhabited area. Further, the bidder must demonstrate that it has a valid lease, or option to lease, for marine terminal facilities necessary for staging and deployment of major project components to the project site. The bidder must also detail the proposed interconnection site, describe what rights the bidder has to the interconnection site, and provide a detailed plan and timeline for the acquisition of any additional necessary rights.  | Deepwater Wind has a federal leased issued on a competitive basis after 1/1/2012 located on the Outer Continental Shelf and no turbine will be within 10 miles of inhabited areas. | Section 2 and related Appendices        |
|   | 2.2.2.1 Site Control and Related Agreements (cont) | The bidder must: (i) specifically describe the portions of the route for which the bidder has acquired sufficient rights to locate its Offshore Delivery Facilities proposed under section 2.2.1.3.,13 above, those transmission facilities, and (ii) provide a reasonable and achievable detailed plan (with a timeline) to acquire sufficient rights to the remainder of the necessary Offshore Delivery Facilities locations. The required information and documentation shall include the following:<br>i. Plans, including a map of the Offshore Wind Energy Generation site, a map showing the location of the marine terminal facility, the proposed water routes to the project site, a map of the proposed interconnection that includes the path from the Offshore Wind Energy Generation site to the interconnection location, and, to the extent a bid includes associated Offshore Delivery Facilities or Project Specific Generator Lead Line proposed under section 2.2.1.3.1 (1), above, a map that shows those facilities' location(s);<br>ii. A description of all government – issued permits, approvals, and authorizations that have been obtained or need to be obtained for the use and operation of the Offshore Wind Energy Generation site, the proposed interconnection location, and, to the extent a bid includes associated Offshore Delivery Facilities or Project Specific Generator Lead Line proposed under section 2.2.1.3.1, above, the location(s) of such facilities. Provide copies of any permits, approvals, and authorizations obtained, and a detailed plan and timeline to secure the remaining permits, approvals, and authorizations;<br>iii. A copy of each of the leases, agreements, easements, and related documents granting the right to use the Offshore Wind Energy Generation site, the marine terminal for deployment of major project components, and, if available, the interconnection location;<br>iv. A copy of each of the related leases, agreements, easements, and related documents that have been obtained for the route of the Offshore Delivery Facilities or Project Specific Generator Lead Line proposed under section 2.2.1.3. above; and,<br>v. Provide a description of the area surrounding any land-based project area, including the marine terminal for deployment of major project components and all transmission and interconnection facility locations. | Deepwater Wind has provided a reasonable and achievable plan to acquire the incremental necessary rights with the required documentation listed.                                   | Sections 2 and 6 and related Appendices |

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| <p>2.2.2.2<br/>Technical/Logistical Viability &amp; Ability to Finance</p>  | <p>The bidder must demonstrate that the technology it proposes to use is technically viable. Technical viability may be demonstrated by showing that the technology is commercially available, is reasonably expected to be commercially available prior to the commencement of project construction, or has been used successfully as outlined in Section 8 of Appendix B to this RFP.</p> <p>The bidder must demonstrate the logistical viability of the project through a construction plan covering the necessary specialized equipment (e.g. vessels), applicable maritime law (e.g. the Jones Act), and local port facilities to complete project deployment.</p> <p>The bidder must also demonstrate the financial viability of the proposed eligible project, including the funding of development costs and the required development period security, the reasonableness of the transmission/network upgrades project scope and cost estimates, and the ability to acquire the required equipment in the time frame proposed (see Section 5 of Appendix B to this RFP).</p>  | <p>Deepwater is using commercially available technology that can reasonably be expected to be commercially available prior to COD. We have provide and Execution Plan that demonstrates Project viability and addresses specialized equipment, maritime law, and required local port facilities.</p> | <p>Sections 2, 5, 8, 9, and 10 and related Appendices</p> |
| <p>2.2.2.3<br/>Experience</p>   | <p>The bidder must demonstrate that it has sufficient relevant experience and expertise, as applicable, to successfully develop, finance, construct, and operate and maintain its proposed eligible project. Development, financing, and construction experience can be established by demonstrating that key member(s) of the bidder’s development team have undertaken project management responsibilities, including:</p> <ol style="list-style-type: none"> <li>1. Successful development and construction of a similar type of project; or</li> <li>2. Successful development and construction of one or more projects of similar size or complexity or requiring similar skill sets; or</li> <li>3. Experience successfully financing power generation or transmission projects (or demonstrating the financial means to finance the eligible project on the bidder’s, eligible project developer’s or eligible project owner’s balance sheet).</li> </ol> <p>Operations and maintenance experience should be addressed as outlined in Section 9 of Appendix B to this RFP.</p> | <p>As the developer of the Block Island Wind Farm, Deepwater Wind is the only developer that has successfully completed an off-shore wind project in North America.</p>  | <p>Sections 5, 8, 9, and 10 and related Appendices</p>    |
| <p>2.2.2.4 Enhanced Reliability within Commonwealth</p>                     | <p>Section 83C requires that the proposed project must demonstrate that it will “provide enhanced electricity reliability.” This requirement can be satisfied by the bidder’s agreement to commit any qualifying capacity to ISO-NE exclusively, even if capacity is not included in its bid, as described above. Bidders may provide other demonstrations that will be considered in determining whether this threshold requirement is satisfied.</p>  | <p>Deepwater Wind understands that that Distribution Utilities are not purchasing Capacity in this solicitation and commits any qualifying Capacity exclusively to the ISO-NE control area.</p>  | <p>Section 3</p>  |
| <p>2.2.2.5<br/>Contribution to Reducing Winter Electricity Price Spikes</p> | <p>The project must demonstrate that the proposed project will contribute to a reduction in winter electricity price spikes.</p>  | <p>The Project will generate a considerable portion of its output during the winter afternoon hours, when natural gas has the highest likelihood of being constrained.</p>   | <p>Section 4 and related Appendix</p>                     |

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| <p>2.2.2.6 Avoid Line Loss, Mitigate Transmission Costs, Overruns not borne by Ratepayers</p> | <p>The proposed project must demonstrate its approach to avoiding line loss. In addition, Section 83C requires that any transmission cost overruns are not to be borne by ratepayers. All proposals must demonstrate that the proposed project has sufficient safeguards to ensure that any transmission or other Offshore Delivery Facilities cost overruns are not imposed on ratepayers.</p>   | <p>Deepwater Wind, supported by GridAmerica has designed the Project to minimize losses. We have structured payment for the Offshore Wind Facilities to remove all risk of ratepayer exposure to cost and cost overruns. The only payment ratepayers will incur are the costs associated for the delivered Energy and RECs.</p> | <p>Section 15 and related Appendices</p> |
| <p>2.2.2.6.1 Transmission Cost Containment</p>  | <p>Section 83C requires that proposals “mitigate transmission costs to the extent possible and ensure that transmission cost overruns, if any, are not borne by ratepayers.” Bidders must include significant cost containment features in their proposals to meet this requirement. Proposals that include more effective provisions that eliminate or minimize ratepayer exposure to transmission and other Offshore Delivery Facilities cost risks as described in this section will be evaluated more favorably throughout the evaluation process. While bidders are not limited to any particular types of cost containment, cost containment proposals may include binding commitments to adopt specified rate structures, other measures that prevent ratepayer cost exposure, and/or caps on the following:</p> <ul style="list-style-type: none"> <li>• project construction and capital costs;</li> <li>• the cost of related system upgrades;</li> <li>• costs arising from changes in interconnection processes or rules; and,</li> <li>• caps on operation and maintenance and other ongoing costs of a project.</li> </ul> <p>Cost containment provisions may apply differently to different types of costs, so long as the provisions are consistent with a bidder’s approach to estimating the costs of its proposal. A bidder must identify the risks associated with any project cost not subject to a cost containment feature. To the extent there are any circumstances where any specific proposed cost containment feature would not apply, a bidder shall explain such exceptions in sufficient detail to allow for a full assessment of the proposal. It is the bidder’s responsibility to provide sufficient information to allow the Evaluation Team to thoroughly and reliably evaluate the details of any cost containment features proposed by the bidder. Offshore Delivery Facilities bid components should include all information available (e.g., basis and assumptions for such cost estimates, as well as for associated system upgrade costs) to support assessment of the accuracy and reliability of the costs and/or rates proposed. As outlined in Appendix B to this RFP, the bidder must include a detailed explanation of how its proposal mitigates Offshore Delivery Facilities bid component costs, and ensures that Offshore Delivery Facilities cost overruns, if any, are not borne by ratepayers. Offshore Delivery Facilities bidders must also explain how their proposals comply with any applicable FERC precedent. The requirements in Appendix B to this RFP are minimum requirements. Bidders must provide sufficient documentary support, including examples where appropriate, for their cost containment proposals to allow for a full and transparent evaluation of these proposals.</p> | <p>See 2.2.2.6 above. Cost Containment provisions are address in the Sections identified in the cell to the right.</p>  | <p>Sections 10, 11, and 15</p>           |

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| <p>2.2.2.6.2<br/>Abandonment<br/>Costs</p>  | <p>If an Offshore Delivery Facilities project accepted under this RFP is cancelled or abandoned, or its development is otherwise discontinued (an event referred to hereinafter as “abandonment”), the bidder shall be allowed to propose to recover prudently- incurred project-related costs (“abandonment costs”) from the Distribution Companies in accordance with FERC rules and policies. However, in no event may a bidder recover abandonment costs if the abandonment was caused directly or indirectly by some wrongful act or failure to act of the bidder. In consideration of entering into a Long-Term Contract with the Distribution Companies under this RFP, bidders shall agree not to seek from FERC or any other agency or authority any treatment of abandonment costs inconsistent with this provision.</p> <p>The evaluation process will value more favorably proposals to the extent that the proposals further eliminate or minimize ratepayer exposure to abandonment cost risk by not seeking abandonment cost recovery or including significant limitations, such as a commitment not to seek recovery for abandonment costs incurred prior to the issuance of this RFP, or another date certain to be proposed by the bidder.</p>  | <p>Deepwater Wind and GridAmerica agrees to not seek Abandonment costs, which is a clear advantage to this proposal.</p>   | <p>Section 15.1.8</p>                                   |
| <p>2.2.2.6.3<br/>Offshore Delvetry<br/>Facilities in<br/>Absence of<br/>Energy Deliveries</p> | <p>All proposals must include a project schedule as required in the Bidder Response Package in Appendix B to this RFP. Proposals should propose complete critical path schedules, for both Offshore Delivery Facilities and Offshore Wind Energy Generation elements of the project, from the notice of selection for contract consideration to the start of commercial operations (the “Baseline Schedule”). The evaluation process will value more favorably proposals that include mechanisms to protect ratepayers from risks associated with payments for Offshore Delivery Facilities costs when any associated expected Offshore Wind Energy Generation, as proposed by the bidder, is absent, reduced, or curtailed as compared to the Baseline Schedule. The Evaluation Team expects that departures from the commercial operation dates at the end of the Baseline Schedule will result in the following:</p> <ol style="list-style-type: none"> <li>1. Offshore Delivery Facilities payments are not required either directly or indirectly, whether in the form of AFUDC, CWIP, or by any other means, prior to the transmission project actually achieving commercial operation.</li> <li>2. In the event that the Offshore Delivery Facilities project achieves commercial operation prior to the date that some or all of its associated Offshore Wind Energy Generation facilities actually begin producing energy for delivery to the Distribution Companies, Offshore Delivery Facilities payments are reduced in proportion to the shortfall, if any, in energy deliveries relative to the Baseline Schedule.</li> </ol> <p>The Evaluation Team will consider other mechanisms as proposed by the bidder to mitigate ratepayer risk.</p> | <p>Critical path schedules for both the Offshore Delivery Facilities and Offshore Wind Generation are provided. Another key advantage of the Deepwater Wind proposal is that the only payment required from the Distribution Companies and therefor the ratepayers is for delivered Energy and RECs.</p> | <p>Sections 2, 9, and 10</p>                            |
| <p>2.2.2.7 Project<br/>Viability in<br/>Commercially<br/>Reasonable<br/>Timeframe</p>         | <p>A bidder must demonstrate that its proposal can be developed, financed, constructed and technically viable within a commercially reasonable timeframe.</p> <p>A proposal that does not have a reasonable schedule that provides sufficient time for the application for, and receipt of, necessary permits, approvals and other commitments may be determined not to have satisfied this threshold requirement. In addition, a proposal that is determined to have a “fatal flaw” such that it will be unable to obtain permits or property rights necessary to construct the proposed project may be determined not to have satisfied this threshold requirement.</p>   | <p>Deepwater Wind and Grid America have provided reasonable project schedules. Deepwater Wind is the only developer in North America to have successfully permitted, constructed, financed, and commissioned an offshore wind facility (Block Island Wind).</p>  | <p>Sections 5, 6, 7, 8, 9, 10, 11, 12, 14, &amp; 15</p> |

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| <p>2.2.2.8<br/>Contribution to Employment and Economic Development Benefits</p> | <p>Section 83C requires that, where feasible, a proposed project demonstrate that it creates additional employment and economic development in the Commonwealth. This requirement can be satisfied, for example, by a showing of:</p> <ol style="list-style-type: none"> <li>1. Direct employment benefits associated with the proposed project; or,</li> <li>2. Indirect employment benefits associated with the proposed project; or,</li> <li>3. Other economic development benefits associated with the proposed project.</li> </ol> <p>The Evaluation Team will consider a broad range of other economic development benefits that could be achieved by a proposed project, including, for example, creating property tax and lease payment revenues, commitments to local workforce training, and providing Offshore Wind Energy Generation at lower costs than other potential projects, and potential environmental benefits to ratepayers. The proposal shall include a timeline of the short-term and long-term economic development benefits.</p> | <p>Deepwater Wind has demonstrated the economic benefits to the Commonwealth as requested in this requirement</p>  | <p>Section 14</p>               |
| <p>2.2.2.9<br/>Appropriate Tracking System for GWSA Goals</p>                   | <p>The proposed project must demonstrate that it will utilize an appropriate tracking system to ensure a unit specific accounting of the delivery of Offshore Wind Energy Generation, to enable the Department of Environmental Protection, in consultation with the DOER, to accurately measure progress in achieving the Commonwealth's goals under Chapter 298 of the Acts of 2008 or Chapter 21N of the General Laws.</p>  | <p>Deepwater Wind will be utilizing the NEPOOL GIS tracking system, which will enable the Department of Environmental Protection and DOER to accurately measure the goals of the Commonwealth.</p> | <p>Sections 4.3 and 7.7</p>     |
| <p>2.2.2.10<br/>Environmental Impact Mitigation</p>                             | <p>Section 83C requires that, where possible, a proposed project must demonstrate that it mitigates any environmental impacts.</p>   | <p>Deepwater Wind has demonstrated its proposal mitigates environmental impacts.</p>   | <p>Sections 6, 7, 10 and 11</p> |

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| 2.2.2.11 Security Requirements              | <p>Proposals that are selected will be required to post security.</p> <p>The required level of security for contracts for each Long-Term Contract is \$20,000 multiplied by the Contract Maximum Amount (as defined in the Draft Contract, Appendix C-1 and C-2 to this RFP) in MW for the generation unit. Fifty percent (50%) of the security must be provided at the time of contract execution. The remaining 50 percent (50%) of the security must be provided upon regulatory approval of the contract. Security will be promptly returned if the applicable regulatory agency does not approve the contract.</p> <p>The required level of Security for Offshore Delivery Facilities Projects associated with an Expandable Transmission Proposal is \$10,000 per MW. Fifty percent (50%) of the Security must be provided within five business days after the eligible bidder has been notified that it has been selected to file a Rate Schedule or Tariff and Service Agreement with FERC. The remaining fifty percent (50%) of the Security must be provided upon FERC acceptance of the Rate Schedule or Tariff and Service Agreement. Security will be promptly returned if agreement is not reached on the Rate Schedule or Tariff and Service Agreement or if they are not accepted by FERC.</p> <p>The Distribution Companies will not provide any financial security or parent guaranty under any circumstances.</p> <p>The required security must be in the form of a cash deposit or a letter of credit from a U.S. commercial bank or the U.S. branch of a foreign bank, in either case having (x) assets on its most recent balance sheet of at least \$10 billion and (y) a credit rating of at least A2/A. More detail on the security requirements is included in the Draft Contracts.</p> | Deepwater Wind and GridAmerica acknowledge the Security Requirements and agree to provide the required security.  | <b>No Current cites</b> |
| 2.2.2.12 Unreasonable Balance Sheet Impacts | A Distribution Company may decline to pursue a proposal if the proposal's terms and conditions would result in a contract obligation that places an unreasonable burden on the Distribution Company's balance sheet. However, Distribution Companies are required to take all reasonable actions to structure their contract pricing or administration for the products purchased to mitigate impacts on the balance sheet or income statement of the Distribution Company or its parent company, subject to approval of the DPU. Mitigation of these measures must not increase costs to ratepayers. Each Distribution Company retains the right to make such a determination based upon the evaluation of particular proposals.   | Deepwater acknowledges this requirement   | <b>No Current cites</b> |
| 2.2.2.13 Facilitate Financing               | Proposals that seek to qualify for consideration under Section 83C must demonstrate that the proposal advances the goal of Section 83C for the selection of cost-effective Long-Term Contracts that facilitate the financing of Offshore Wind Energy Generation resources. The bidder should specify how a Long-Term Contract resulting from this RFP process would either permit it to finance its project that would otherwise not be financeable or assist it in obtaining financing of its project.   | The increased certainty associated with a contract award in this RFP is the primary reason we are able to offer the competitive pricing here and necessary to secure long-term financing. | Section 5.1             |



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| <p>2.3.1.1 Direct Contract Costs &amp; Benefits</p> | <p>Proposals will be evaluated on both direct contract price costs and benefits and other costs and benefits as outlined below to retail consumers. Direct contract price costs and benefits for evaluation may include, but may not be limited to:</p> <ul style="list-style-type: none"> <li>i. Offshore Wind Energy Generation will be evaluated on a mark-to-market comparison of the price of any eligible Offshore Wind Energy Generation under a contract to projected market prices at the delivery point with the project in-service;</li> <li>ii. Offshore Wind Energy Generation resources will be evaluated using a mark-to-market comparison of the price of any RPS Class I eligible RECs under a contract to their projected market prices at the delivery point with the projected in-service date;</li> <li>iii. The cost of the Offshore Delivery Facilities, including associated interconnection and upgrade costs, where the recovery of such costs is not included in the PPA, and expected benefits, if any, of revenue from sales of excess capacity over the Offshore Delivery Facilities; and,</li> <li>iv. The costs, benefits, and risks of a proposed Expandable Transmission Project, including a calculation of the avoidance of future net costs to connect future Offshore Wind Energy Generation Projects to onshore delivery points, taking into consideration the network costs and risks of delay or failure of future Offshore Wind Energy Generation Projects, including possible stranded costs to be borne by ratepayers.</li> </ul> | <p>Deepwater Wind will be injecting generation into the Brayton Point substation (Davisville is potential alternate location). Given the retirement Brayton Station this location should fair favorable from a projected market price perspective. We have structured our pricing for REC to be in-line with forward market values. Our approach to approach to Expandable Transmission not only enhances the ease of connection of future Offshore Wind Generation but eliminates the risk stranded cost on ratepayers.</p> | <p>Sections 2 and 15 and related Appendices</p> |
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