



Shared Clean Energy Facilities ("SCEF") Program Year 4 Bidder's Conference

JANUARY 27, 2023





Today's Presenters

EVERSOURCE

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THE UNITED ILLUMINATING COMPANY

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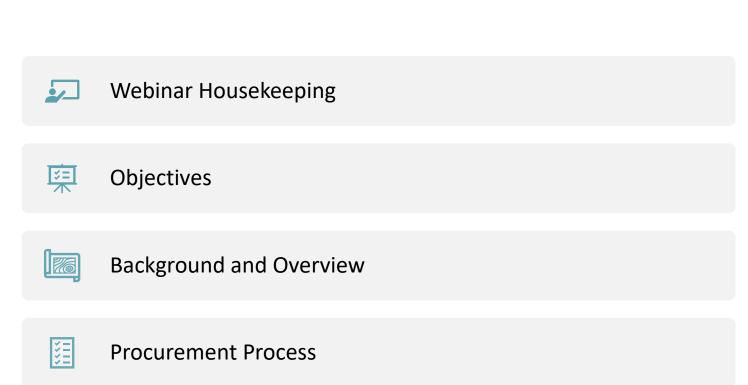
Analyst, Wholesale Power Contracts

CT DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION

Claire Sickinger

Office of Energy Supply

Agenda



Bid Submission and Agreement Execution



DEEP: Appendix B Requirements and Submission



Q&A

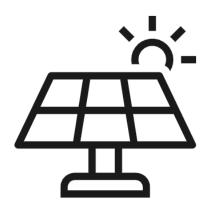




Webinar Housekeeping

- Please hold questions until the end of the Webinar
- General questions will be added to a Q&A document
- Q&A at the end of presentation (If Time Allows)
 - Lines will be muted until open discussion
 - Use "Raise Hand" function during discussion
 - One speaker at a time
- This webinar is being recorded by the EDCs. If you do not consent to being recorded as a participant in the webinar, please exit the call.
- In the event of any inconsistency between the provisions of the SCEF RFP or any part of this presentation, the provisions of the Tariff Terms Agreement are controlling. Bidders should review the Tariff Terms Agreement and all associated documents thoroughly and submit their Bids based upon the Tariff Agreement, which will solely govern the transactions between any of the parties and their counterparty Company through the term of the resulting Agreement











Goals of the Shared Clean Energy Facilities Program

- Annually and cost effectively allocate up to 50 MW to SCEF from Years 4 to 6.
- Provide savings to specific categories of customers, particularly customers with low to moderate income, low-income services organizations, and customers who reside in environmental justice communities

Key Definitions

Shared Clean Energy Facility

 A Class I renewable energy source that generates electricity participating in the SCEF program

Subscriber Organization

Owners and operators of SCEF facilities

Subscriber

Electric distribution customers participating in the SCEF program

Tariff Terms Agreement

 The Shared Clean Energy Facility ("SCEF") Tariff Terms Agreement for the Subscriber Organization, inclusive of the Shared Clean Energy Facility Tariff, Terms and Conditions and all referenced attachments and appendices

SCEF Background and Program Requirements





Background



Section 7(a)(1)(c) of <u>Public Act</u>
18-50 signed on May 24, 2018
resulted in PURA Docket 19-0701 – Public Act 22-14 modified
SCEF - Now Docket 22-08-04 for
Year 4



Six-year competitive procurement program that will support up to 150 MW of new clean power generation in Connecticut



Subscriber Organizations will receive 20-year tariff term from the EDC in which the SCEF project is located



SCEF projects will result in credits that will be applied to the bills of participating electric customers at no cost to those customers



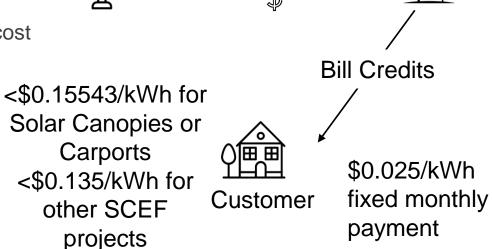


Electric Distribution

Company

SCEF Program Model

- Clean Energy System Owner
 - Finance and construct project
 - Deliver energy and RECs to EDC
 - Receive direct payment for project production
- Participating Customers
 - Receive clean energy savings as bill credit at no cost
- Electric Distribution Companies
 - Identification and enrollment of customers as subscribers (with partners)
 - Monthly credit allocation to subscribers
 - Quarterly payment to system owner
 - Subscription management

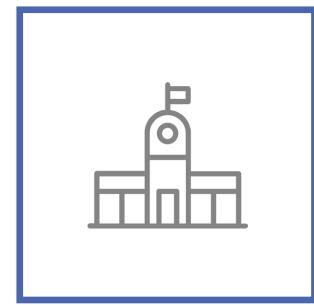


Energy &

Renewable Credits

Clean Energy

Project









Subscriber Enrollment

Managed solely by Eversource and The United Illuminating Company

Legislation specified customers that could participate

- Low-income Customers and Affordable Housing Facilities
- Moderate-income Customers
- Small Business Customers
- State or Municipal Customers
- Commercial Customers
- Non-Low-to-Moderate Income Customers who:
 - Reside in a rental property or a property where the they do not control the roof, or;
 - Reside in their own property, but cannot install solar

Procurement Process



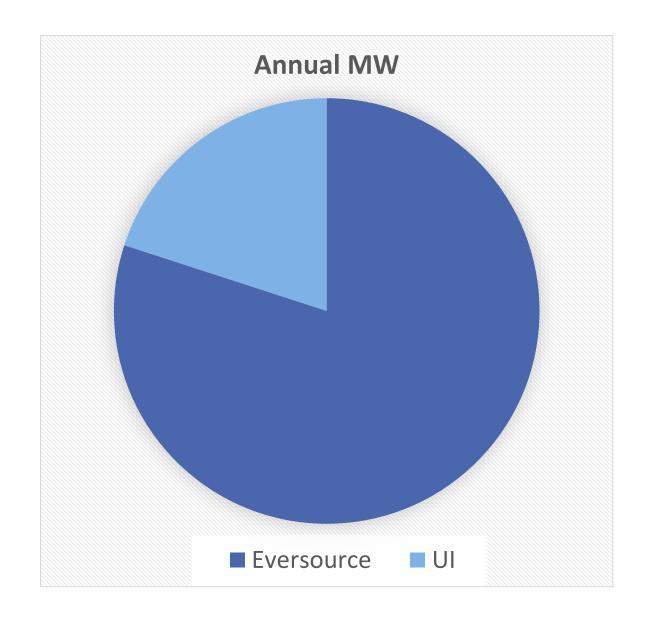
Year 4 RFP Schedule



Action Item	Date
Release of RFP	January 20, 2023
Bidders Conference – Webinar Only	On or about January 27, 2023
Deadline for Submission of Questions	On or about February 3, 2023
Bid Forms Due	March 3, 2023 by 1:00 p.m. (Eastern Prevailing Time "EPT"), at which time the Pricing shall become firm, irrevocable and binding.
Selection and Notification of Winning Bidders	On or about April 18, 2023
Tariff Terms Agreement Execution	After Selection and Notification of Winning Bidders. Executed Tariff Terms Agreements will be due 10 business days from the date they are sent.
Subsequent Rounds of Selection and Notification of Winning Bidders	Approximately 5 business days after Tariff Terms Agreement Execution date (date on which executed Tariff Terms Agreement is due to the EDC for each round of selection). After each Tariff Terms Agreement Execution Date, each EDC will re-evaluate it's available MWs and reallocate to the next project(s) in the queue as necessary and notify selected Bidders accordingly. This process will continue until the earlier of 1) all available MWs are allocated, or 2) May 1, to allow enough time for the EDCs to submit selected bids by July 1.
Tariff Terms Agreement(s) Filed with PURA for review and approval	Within two weeks following the completion of the annual Procurement process.
Commencement of Service	Within three calendar years from the date of PURA approval of the Tariff Terms Agreement(s)

SCEF Project Solicitation Process

- 25 MW yearly procurements for Years 1-3
- 50 MW yearly procurements for Years 4-6
- Systems from 100 kW to 5 MW are eligible
- Must be an eligible CT Class I renewable energy source that produces electricity
- Selected based on bid prices and other criteria
- Projects have three years for construction
- Once generating, will receive payments for system generation for up to twenty years



Annual MW Allocation

50 MW total split 80% Eversource, 20% UI

Eversource: 40 MW annually

UI: 10 MW annually

At the conclusion of the 6 procurement years: 225 MW total





Project Eligibility

- ✓ Must be between 100kW and 5 MW in size
- ✓ CT Class I Technology
- ✓ Located in Companies' service territory
- ✓ Must interconnect to applicable Company's distribution system
- ✓ Must be new (construction must commence after the date of the solicitation to which the Bidder is responding)
- ✓ Cannot receive <u>or seek to receive</u> any CT ratepayer-funded incentives or subsidies (net metering, VNM, PURPA, LREC/ZREC, <u>Residential or Non-Residential Renewable Energy Solutions Program (RRES or NRES)</u>, CT Green Bank grants/rebates, C&LM program)

- ✓ Final as-built size cannot exceed as-bid nameplate capacity
- ✓ Cannot split projects to qualify
- ✓ One bid per site per technology
- ✓ Aggregate maximum capacity of all Bids on single parcel of land or contiguous parcels under common ownership is limited to 5 MW
- ✓ SCEF and its associated interconnection route cannot be located, in whole or in part, on core forest
- ✓ Appendix B required to be submitted to DEEP by bid deadline





Project Eligibility Continued

- •LREC/ZREC, NRES, or RRES projects of the same technology must be in-service before submitting a SCEF bid at same site
 - 5.2.12 If an existing SCEF through PA 18-50, PA 19-35 or PA 22-14 or the pilot program, LREC/ZREC, or NRES or SCEF tariff project is present at the Project Site and uses the same technology, the existing project must be inservice before any additional Bids are eligible for selection under this Program. There are two exceptions to this requirement. The first is for a previously awarded project selected more than three (3) calendar years prior to submission of a Bid under this Program. The second for projects issued a partial award in a previous SCEF solicitation. In such circumstances, a project will be eligible to submit a project bid up to five (5) MW minus the amount the project was awarded in the previous Tariff Terms Agreement.
- •Bids cannot be submitted in both SCEF and NRES or RRES for the same parcel of land
 - 5.2.5 A SCEF may use federal subsidies, incentives, or tax benefits. However, a facility is ineligible if it receives, or seeks to receive, any Connecticut ratepayer-funded incentives or subsidies, including, but not limited to, net metering, virtual net metering, Public Utility Regulatory Policies Act ("PURPA") tariffs, LREC/ZREC contracts, NRES Tariff Agreements, and any other contract or program of any kind in which an EDC purchases the facility's energy, capacity, or renewable attributes, and grants or rebates from the Connecticut Green Bank and any of its predecessors or the Conservation and Load Management Program.





Price Cap

- •One Bid Price is required for the twenty-year term
- •Purchase Prices must be on a fixed, dollar per megawatt-hour (\$/MWh) basis **for energy and RECs**, subject to the Procurement Price Cap, over the Tariff term
- •Year 4 price cap is \$155.43/MWh for Projects that are located on Solar Carports or Canopies and \$135/MWh for Projects that are not located on Solar Carports or Canopies

Bid Submission and Tariff Terms Agreement Execution

Step 1

How to Submit a Bid in the Year 4 SCEF RFP





Bid Process

- All documents including Appendix B must be submitted to your respective EDC as well as DEEP
- EDC bid portals will not have the capability to accept Appendix B send via email
 - <u>SCEF@Eversource.com</u> for Eversource
 - <u>SCEF@Uinet.com</u> for United Illuminating





Bid Process

Complete & Submit Bid Form Online

- For Eversource: Click Here to access the online Bid Portal
- For UI: Click Here to access the online Bid Portal
- Certifications, Affidavits and Disclosures
 - Company-specific documents available on the Companies' websites:
 - Eversource
 - <u>UI</u>

The Companies online Bidding systems will acknowledge receipt of Bid and provide you with an individual Bid ID





Eversource Bid Form

- Form is filled out online
 - New users will need to create an account using the "Sign Up Now" button
- Contains information needed for:
 - Submission verification
 - Completion of Tariff Terms Agreement
- •Additional form(s) (i.e. Certifications, Affidavits, and/or Disclosures as applicable) will be required to be submitted as part of the bid process
- Double check and triple check to avoid errors which may invalidate the Bid Form





UI Bid Form

- Form is filled out <u>online</u>
- Contains information needed for:
 - Submission verification
 - Completion of Tariff Terms Agreement
- •Additional form(s) (i.e. Certifications, Affidavits, and/or Disclosures as applicable) will be required to be submitted as part of the bid process
- Double check and triple check to avoid errors which may invalidate the Bid Form





Development Period Security

- Due at the time of Bid submission
 - Calculated by the online Bid portals
- Instructions posted on Companies' websites
 - ACH or Wire payments only for both Companies
 - Eversource instructions please email scef@eversource.com for account numbers
 - <u>UI Instructions</u> please email <u>SCEF@uinet.com</u> for account numbers
 - For UI: All DPS submissions to UI must include a W9 Form for the entity posting payment.
- Calculation: Project Size (in kW AC) * \$25
 - Example: 2,000*\$25=\$50,000.00
- Returned if your project is not selected
- •Sacrificed if selected project does not execute Tariff Terms Agreement





Return of Development Period Security

- The EDC shall return the Development Period Security to the bidder if at least one of the following conditions is met:
- The Selected Project enters commercial operation in a timely fashion and begins producing energy consistent with these Program requirements
- 2. The Project's eligibility under the Tariff is terminated for failure to receive Regulatory Approval satisfactory in substance to the EDC
- 3. The Project's eligibility under the Tariff is terminated due to a force majeure event
- 4. The Bid is not selected under the procurement for which the Bid was submitted.





Bid Attachments: Bid Certification Form

- Mandatory for all Bids
 - Eversource: Uploaded during Step 6/6 of the online Bid process
 - UI: Uploaded during the final step of the online Bid process
- •4+ Page Bid Certification Form
 - Page 1: Instructions
 - Page 2: Bidder's signature Bidder is the individual or entity submitting the Bid
 - Page 3: Subscriber Organization's signature Subscriber Organization is defined by Section 16-244x of the CT General Statutes as follows:
 - "...any for-profit or not-for-profit entity permitted by Connecticut law that (A) owns or operates one or more shared clean energy facilities for the benefit of the subscribers, or (B) contracts with a third-party entity to build, own or operate one or more shared clean energy facilities"
 - Page 4: Owner of the Project Site's Signature Owner of the project site is defined as the legal owner of the project site (Notarized Affidavit)
 - UI Only W9 Form Filled Out and Signed





Bid Attachments: CT Licensed PE Certification

- Mandatory for all Bids
 - Eversource: Uploaded during Step 6/6 of the online Bid process
 - UI: Uploaded during the final step of the online Bid process
- Used to determine expected annual production of the Facility





Bid Attachments: Carbon Neutrality Certification

- Mandatory for Carbon-Emitting Technologies
 - Mandatory for fuel cells and anaerobic digestion
 - Eversource: Uploaded during Step 6/6 of the online Bid process
 - UI: Uploaded during the final step of the online Bid process
- •PURA's April 13, 2020 Correspondence in Docket 19-07-01 states, "All bids received from Class I renewable energy source that emit carbon must certify that the project is technologically capable of becoming carbon neutral by 2040 and will take all measures to become carbon neutral by 2040 should a statewide 100 percent zero carbon electricity goal be established. See Executive Order No. 3 dated November 3, 2019 signed by Governor Ned Lamont. See also, S.B. 10, Session Year 2020."
- •For informational purposes only, Eversource and UI both requires that this Certification of Carbon Neutrality be submitted for projects using Fuel Cell or Anaerobic Digestion technologies, as well as any other Class I renewable energy source that emits carbon





Bid Attachments: W-9 Form (UI Only)

- •Due to UI's new payment system, a W-9 Form is now required to submit Development Period Security.
 - A Fillable W-9 Form can be found on UI's Year 4 SCEF RFP Page under Year 4 SCEF RFP Documents
- The entity that submits payment **must** provide this form for UI to confirm receipt of DPS
- Any Questions regarding this document requirement can be sent to SCEF@uinet.com





Selection Process



ONLY Completed Bids received via companies' online bid portals are reviewed for eligibility



Eligible bids will be ranked by evaluated bid price subject to the two Bid Preferences

Bid preferences determined solely by DEEP

Landfills and Brownfields

Solar Canopies or Carports



Contracts will be awarded until MWs are exhausted

If next project in the queue is larger than available capacity, only available capacity will be offered to that project



Eligible bids not selected will be placed on standby

Step 2

How to Proceed if your Bid is Selected



If Selected

- •EDC will email you an executable version of the Tariff Terms Agreement
- Partially Executed Tariff Terms Agreement must be received by EDC by the Effective Date, or project is disqualified and Development Period Security is sacrificed
- EDC will return a fully executed Tariff Terms Agreement after PURA approval of selected projects

Step 3

Post Execution Obligations: How to get from Tariff Terms Agreement to Commercial Operation





Prerequisites for Purchase

- Section 6 of the Terms and Conditions
 - In service no later than three years after PURA approval of Tariff award
 - Interconnection agreement required
 - Must have dedicated Production Meter
 - Owned by EDC

Step 4

Tariff Administration: The 20-Year Delivery Term





Tariff Administration

- •20-year term
 - Payments based on actual system production
- Operating Period Security
 - Due within 30 days of In-Service Date
 - Calculation: ACP*50% of expected production
 - ACP for years 2021 and beyond is \$40/MWh
- •Companies will own the Production Meter and will be the Third Party Meter Reader of Record and will upload Production Meter data to NEPOOL GIS
- Purchase obligation begins on the first day of the month following the In-Service Date





Delivery Obligations

- •Delivered output will be paid to Subscriber Organization on a quarterly basis
- •Delivery Term continues for 20 years from first day of month following In-Service Date
- •Upon Delivery, ownership of RECs, energy, and all other Environmental Attributes shall transfer to the EDC





Program Contacts





EVERSOURCE: SCEF@EVERSOURCE.COM

UNITED ILLUMINATING: SCEF@UINET.COM





Key Documents

- Final Decision in Docket No. 22-08-04
- Year 4 RFP
- DEEP Appendix B
- Tariff Rider
 - Eversource
 - **United Illuminating**
- Subscriber Organization Tariff Terms Agreement
- Subscriber Organization Tariff Terms and Conditions

Key Documents – Eversource



Eversource SCEF Website



Summary of Required Bidding Information



SCEF Bid Certification Form



SCEF Carbon Neutrality Form



SCEF CT Licensed Professional Engineer (PE)
Certification

Key Documents – UI









SCEF CT Licensed Professional (PE) Certification

Fillable W9 Form



DISCLAIMER

No verbal representations preempt or otherwise alter what is in Appendix B (as finalized by Final Decision in Docket No. 22-08-04).

REQUIREMENTS FOR APPENDIX B SUBMISSIONS TO DEEP

- I. Responses to all questions in sections B1-B6 with all supporting information requested in both the main question and any question subparts. Each question must be answered in its entirety. If supplemental material is required in the form of an appendix, exhibit, table, map, or other documents, Bidders must provide it directly below the question or provide a link directly to that supplemental material. *If any section or question is not applicable, this should be clearly stated with a full explanation as to why that section or question is not applicable. Do not skip any section or question.*
- II. Attachment 1: An affidavit attesting to the Bidder's control of the Project Site by the Bidder
- III. Attachment 2: An affidavit attesting to the Bidder's control of the Project Site by the owner of the Project Site (required only if the Bidder is not the owner of the Project Site)
- IV. Attachment 3: An affidavit attesting the veracity of statements made to DEEP
- V. Attachment 4: A self-certification form for proposed projects that violate the slope requirements, if applicable
- VI. Attachment 5: An Applicant Compliance Information form

Submit to DEEP.EnergyBureau@ct.gov on or before March 3, 2023, at 1pm

APPENDIX B CONTENTS

- Instructions
- Freedom of Information Act
- Definitions
 - New Brownfield definition
 - New Solar Canopy definition
- Appendix B Questions
 - Revised and pared down from previous years
- Attachments
 - Same as Year 3, though the Applicant Compliance Information form is now included as an attachment instead of as a linked document

FREEDOM OF INFORMATION ACT

If a Bidder believes portions of information submitted in response to Appendix B are exempt from FOIA disclosure, the Bidder must submit:

One complete, redacted response to Appendix B for public posting, which must be clearly labeled **PUBLIC**,

AND

One complete, unredacted response to Appendix B for DEEP's internal review, which must be clearly labeled **CONFIDENTIAL**.

The Bidder must also specifically identify which FOIA exemption may be applicable to the specific information claimed confidential.

In addition, Bidders must submit a detailed explanation of why the relevant FOIA exemption is applicable to the specific information requested to be redacted. A unique explanation is required for each question in which a Bidder wishes to redact information; a blanket justification is prohibited. Failure to provide such explanation will lead to a disqualification of the project for failure to comply with Appendix B.

NEW DEFINITION: BROWNFIELD

"Brownfield" means a site that is either: (1) an address that is included on the Connecticut Brownfields Inventory maintained by DEEP and an attestation that such site has not achieved regulatory closure in the form of either a verification report from a licensed environmental professional or from DEEP; or (2) an address with a Phase 2 Environmental Site Assessment from a licensed environmental professional identifying that the site is contaminated with pollutants, unless such pollutants are present solely because soil at such address has been historically intermixed with coal ash, wood ash, coal fragments, coal slag, coal clinkers, asphalt paving fragments, or any combination thereof, and the Bidder can demonstrate, to DEEP's sole satisfaction, the site is either abandoned or underutilized because of such contamination.

NEW DEFINITION: SOLAR CANOPY

"Solar Canopy" means, as determined at DEEP's sole discretion based on materials submitted by the Bidder, the portion of the alternating current (AC) nameplate capacity of a SCEF project that is installed above a permeable and/or non-permeable existing or new parking/driving area, pedestrian walkway, courtyard, or other utilized surface that requires shade, which is installed in a manner that maintains the function of the area beneath the structure and continues to be used or available for use for such purposes for the term of SCEF program participation.

- **B1**. Project Overview
- **B2**. Financial Experience
- **B3**. Project Site
- **B4.** Project Threshold Requirements
- **B5**. Permit Acquisition
- **B6.** Community Impact and Engagement

- **B1**. Project Overview
 - Provide an overview of proposed project (with all required components)
 - Identify whether proposal is claiming any bid preferences and provide evidence
 - Identify whether the Project Site violates the slope rules and, if so, complete Self-Certification form (Attachment 4)
- **B2.** Financial Experience
- **B3**. Project Site
- **B4.** Project Threshold Requirements
- **B5**. Permit Acquisition
- **B6.** Community Impact and Engagement

- **B1.** Project Overview
- **B2.** Financial Experience
 - Provide cost estimates for developing and operating the project (with all required components)
 - Confirm that the Bidder, their employees, and their affiliates, are not under investigation by the government or recently convicted, and describe any litigation, disputes, claims, or complaints involving the Bidder or their affiliates against DEEP or the State of CT
- **B3**. Project Site
- **B4.** Project Threshold Requirements
- **B5**. Permit Acquisition
- **B6.** Community Impact and Engagement

- **B1**. Project Overview
- **B2.** Financial Experience
- **B3**. Project Site
 - Provide a site plan (with all required components)
 - Demonstrate proof of site control by completing Affidavit 1 (Attachment 1) and, as applicable, Affidavit 2 (Attachment 2)
 - Provide evidence that the Project Site and interconnection route are or will be acceptable for uses in the appropriate zone(s)
- **B4.** Project Threshold Requirements
- **B5**. Permit Acquisition
- **B6.** Community Impact and Engagement

- **B1**. Project Overview
- **B2**. Financial Experience
- **B3**. Project Site
- **B4**. Project Threshold Requirements
 - For solar projects not located on a landfill or sand and gravel pit, attest that no portion of the Project Site is on slopes greater than 15% and that there will not be any grading before/during/after construction to achieve this requirement
 - Brownfield projects: attest that Project Site meets the definition and indicate how much of Generation Footprint is on the Brownfield
 - Landfill projects: indicate how much of Generation Footprint is on the Landfill and, for solar projects, attest that no more than 10% of the Project Site is on slopes greater than 15% and that there will not be any grading before/during/after construction to achieve this requirement
 - Sand and gravel pit projects: indicate how much of Project Site is on the sand and gravel pit and, for solar projects, attest that no portion of the Project Site is on slopes greater than 15% and indicate whether there will be any grading
- **B5**. Permit Acquisition
- **B6**. Community Impact and Engagement

- **B1**. Project Overview
- **B2.** Financial Experience
- **B3**. Project Site
- **B4**. Project Threshold Requirements
- **B5**. Permit Acquisition
 - Confirm acknowledgement that the project may require the Bidder to secure permits
 - Identify any claims, litigation, or matters that may affect the feasibility of the project or the ability to obtain or retain permits
 - Confirm research of Siting Council process and decision timeframe and review of DEEP's Stormwater General Permit
 - Confirm Project Site does not impact Core Forest
 - Indicate the proximity of the Project Site and interconnection route to ridgelines and ridgeline setback areas
 - Complete the Applicant Compliance Information form (Attachment 5)
- **B6**. Community Impact and Engagement

- **B1**. Project Overview
- **B2.** Financial Experience
- **B3**. Project Site
- **B4.** Project Threshold Requirements
- **B5**. Permit Acquisition
- **B6.** Community Impact and Engagement
 - Provide documentation of community outreach and engagement regarding the Bid conducted to date (at least 2 of the documentation options listed)
 - If the project is greater than or equal to 2 MW, describe how Bidder will comply with Public Act 21-43
 - 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 Appendix B response. (new question)

ATTACHMENTS

Attachment 1: An affidavit attesting to the Bidder's control of the Project Site by the Bidder (required for all Bidders)

Attachment 2: An affidavit attesting to the Bidder's control of the Project Site by the owner of the Project Site (required only if the Bidder is not the owner of the Project Site)

Attachment 3: An affidavit attesting the veracity of statements made to DEEP (required for all Bidders)

Attachment 4: A self-certification form for proposed projects that violate the slope requirements, if applicable

Attachment 5: An Applicant Compliance Information form (required for all Bidders)

REMINDERS

Bidders should take the necessary steps to ensure that their Appendix B Submittal includes all requested documents and information.

Following PURA's direction, DEEP may only allow the late submission of documents explicitly required by Appendix B if such documents were available before the bid deadline and were not provided due to a clerical or other error that can reasonably be demonstrated, at DEEP's sole discretion. Otherwise, DEEP may seek clarifying or additional information from Bidders regarding their Appendix B Submittal at any point in the bid evaluation period.

Submit Appendix B responses to DEEP.EnergyBureau@ct.gov on or before March 3, 2023, at 1pm

QUESTIONS AND ANSWERS



APPENDIX

Links:

DEEP SCEF webpage

Year 4 Appendix B (PDF)

Year 4 Appendix B (Word)

Contact:

DEEP.EnergyBureau@ct.gov (please include "SCEF" in the subject line)