

83D Questions and Answers

- (56) In regards to Section 2.3.1.1, what REC value will be used by the Evaluation Team in the bid evaluation process?

Answer: The forecasted REC values used by the Evaluation Team will be developed in consultation with the Evaluation Team Consultant. The REC value will not be made available to bidders.

- (57) Will the REC values assigned by a bidder in their bid have any impact on the REC value assigned in the evaluation?

Answer: See the answer to Question 56.

- (63) What circumstances would give the right to reject all of the proposals? Does the Evaluator Team have a price point in mind?

Answer: The Evaluation Team reserves the right, at any stage, to eliminate a project from further consideration if it reasonably believes that the project does not meet the requirements set out in the RFP. Additionally, a Distribution Company may decline to consider a proposal having terms and conditions that it determines would place an unreasonable burden on the company's balance sheet. At this time there is no price point that would eliminate a project from further consideration.

- (64) How will the Evaluation Team evaluate or quantify the potential benefits of facilitating the development and construction of more than one transmission project as a means to mitigate the risk of project failure and enhance electric reliability in the Commonwealth?

Answer: The Evaluation Team intends on working with the Evaluation Team Consultant to properly identify the costs, benefits and risks of all eligible bids. Project viability and the bidder's experience and qualifications to complete the proposed project are assessed as part of the qualitative evaluation. Additionally a third stage evaluation will take place that will consider, among other things, portfolio effects. The evaluation criteria are the same for all projects and are broad enough to evaluate the effects of single transmission projects or multiple transmission projects.

- (68) Please clarify the requirement to "Provide at least one year of hourly wind resource data". Should it be understood that the Proponent is required to submit the information as a raw data file or is it intended that the wind analysis be conducted on at least 1 year of wind data?

Answer: Both should be provided. The bidder response form section 4.1 requires the bidder to supply one year of hourly wind resource data and an assessment report from a qualified unaffiliated third party wind resource assessment firm. A raw data file should be submitted and the required analysis should be based on at least 1 year of wind data.

- (76) How will the evaluators/purchasers assess whether a claimed in-service date is achievable when screening proposals for project viability? Many components involved in constructing a transmission line have long lead times due to increased global demand and developers may be challenged to meet in-service dates. Will bidders be required to demonstrate that they have contracts in place for all equipment required to construct?

Answer: Projects will be evaluated concerning their claimed in-service dates by examining the totality of their bids and using reasonable judgment thereafter. Factors such as actual equipment purchases, contractual rights to purchase, receipt of and/or progress toward, including the challenges thereof, obtaining permits will be considered.

- (77) Section 1.1: Under Section 83D of Chapter 169 of the Acts of 2008, as amended by Chapter 188 of the Acts of 2016, the Distribution Company must “enter into cost-effective long-term contracts for clean energy generation equal to approximately 9,450,000 megawatt hours by December 31, 2022.” Does this requirement mean that the Commercial Operation Date for the Clean Energy Generation subject to such contracts must be on or before December 31, 2022?

Answer: No, the date of December 31, 2022 is only applicable to the Distribution Companies’ entering into cost effective contracts which would still be subject to regulatory review. Commercial Operation is not a part of that requirement.

- (88) Section 2.3: To assist potential bidders structure their bids to provide the most benefit to ratepayers consistent with the Evaluation Team’s expectations and to ensure more transparency in the evaluation process, please clarify:

- a. How the 75-point quantitative scoring will be calculated, and how the points will be assigned to the various benefits and costs described in sections 2.3.1.1 through 2.3.1.3; and

Answer: The method of assigning points will be established by the Evaluation Team with the help of the Evaluation Team Consultant. The methodology will not be made available to bidders.

- b. How the 25-point qualitative scoring will be calculated, and how the points will be assigned to the various factors detailed in section 2.3.2.

Answer: The method of assigning points will be established by the Evaluation Team. This methodology will not be made available to bidders.

- (92) Section 2.3.2: Please explain (a) how the Evaluation Team plans to assess a project's "risk of curtailment"; and (b) how the Evaluation Team intends to calculate and score the reliability benefits related to reduced winter price spikes.

Answer: The method of determining how the risk of curtailment will be analyzed will be determined by the Evaluation Team. This method will not be made available to bidders.

- (97) Appendix C-3: Regarding the bullet point requiring a "[c]ommitment to deliver the Clean Energy Generation in accordance with the Bidder's delivery profile submitted in the bid, please provide the Evaluation Team's expectation with respect to the coordination of scheduled maintenance outages for the transmission project and the Clean Energy Generation bidder's delivery profile.

Answer: Bidders should clearly specify what their expectation is for scheduled maintenance. Bidders should reflect in their delivery profiles their expectations of scheduled maintenance for generation and transmission. The Evaluation Team will factor that into the evaluation.

- (99) In forecasting energy prices at bidders' delivery points, what assumptions will be made regarding the future of RGGI compliance levels/requirements?

Answer: All model assumptions will be made by the Evaluation Team in consultation with the Evaluation Team Consultant. These assumptions will not be made available to bidders.

- (100) In forecasting energy prices at bidders' delivery points, what assumptions will be made regarding the future clean energy and/or RPS requirements for each of the ISO-NE states?

Answer: Please see the answer to question (99) above.

- (101) Assuming that the NYISO market will be included in the model used to develop the forecasted energy prices at bidders' delivery points, what assumption will be made about New York meeting the state's Clean Energy Standard?

Answer: Please see the answer to question (99) above.

- (102) How will the natural gas price forecast be developed?

Answer: Please see the answer to question (99) above.

- (103) Will the electricity forecasting model consider economic retirements?

Answer: Please see the answer to question (99) above.

- (104) Will the electricity forecasting model assume any federal CO2 programs (e.g., command and control such as the Clean Power Plan or CO2 pricing/tax)?

Answer: Please see the answer to question (99) above.