



June 2, 2016

REQUEST FOR PROPOSALS (RFP)
FOR
NATURAL GAS CAPACITY, LIQUEFIED NATURAL GAS (LNG), AND
NATURAL GAS STORAGE

INTRODUCTION

The Commissioner of the Connecticut Department of Energy and Environmental Protection (the "Commissioner") is issuing this RFP pursuant to Section 1(d) of Public Act 15-107, *An Act Concerning Affordable and Reliable Energy* (the "Act").

BACKGROUND

Pursuant to Section 1(d) of the Act, the Department of Energy and Environmental Protection (the "Department" or "DEEP") is soliciting proposals for Natural Gas Resources, defined as the following: (1) interstate natural gas transportation capacity, (2) liquefied natural gas ("LNG"), (3) liquefied natural gas storage, (4) natural gas storage, or a combination of any such resources. For the purposes of this RFP, the term Natural Gas Storage shall refer to both liquefied natural gas storage and natural gas storage.

To be eligible to bid into this RFP, natural gas resources must provide for incremental capacity with primary firm delivery capability to transport natural gas to natural gas-fired generating facilities located in the control area of the regional independent system operator.

For interstate natural gas transportation capacity and Natural Gas Storage, to qualify as incremental, projects must provide an increase in the amount of overall natural gas infrastructure that delivers to gas-fired generators in the ISO-New England region, whether associated with the construction of new natural gas infrastructure or an upgrade to existing natural gas infrastructure. For LNG to qualify as incremental, projects must provide an additional contracted supply of LNG that is deliverable to gas-fired generators in the control area on a primary firm basis either through existing or new pipeline capacity.

The Department is conducting this solicitation in consultation with the Connecticut

Procurement Manager, the Office of Consumer Counsel (“OCC”), and the Office of the Attorney General (“AG”). The United Illuminating Company and Eversource Energy (collectively, the “Electric Distribution Companies” or “EDCs”) are the contracting parties to any contracts and agreements related to this solicitation and as such they will have access to all bids, related evaluations, analysis, and documents, and will assist the Department in the evaluation process. The Department reserves the right to engage an independent consultant (“Consultant”) to assist in the evaluation of bids. All bid evaluation will be conducted by the Department, in consultation with the OCC, Connecticut Procurement Manager, the AG, and the EDCs, and also with the assistance of the Consultant (the “Evaluation Team”).

The selection of any proposals will be solely the responsibility of the Department, after consultation with the state’s Procurement Manager, the OCC, the AG, and the EDCs. In the event that the Department finds any proposals submitted in response to this Notice to be in the interest of ratepayers, and to meet the requirements set forth in Section 1(e) of the Act, the Commissioner may direct the EDCs to enter into Contracts for natural gas capacity, Liquefied Natural Gas (“LNG”), or natural gas storage, or a combination thereof, for periods of up to twenty (20) years. DEEP will direct the EDCs to negotiate with any selected Bidder(s) and to finalize a contract that will be filed with the Public Utilities Regulatory Authority (“PURA”) for review and approval.

Because of the special expertise of the Connecticut Local Distribution Companies (“LDCs”) with respect to the procurement of natural gas resources, the Department has consulted with LDC personnel on the development of this RFP and may consult with LDC personnel on the evaluation and selection of any proposals. The EDCs and LDCs that are part of the Evaluation Team and have all executed the Standard of Conduct document attached as Appendix F to this RFP. The Standard of Conduct prohibits any discussion of this RFP between EDC and LDC personnel who may be participating on the Evaluation Team and EDC and LDC personnel involved in the preparation of bids in response to this RFP, other than through communications expressly permitted under the Guidelines outlined in the Utility Standard of Conduct (Exhibit F) (e.g., bidder conferences or formal bidder Q&A).

Multiple States within New England are considering the procurement of natural gas resources to improve the affordability and electric supply reliability. To maximize the benefits to Connecticut’s electric ratepayers, the Department will make every effort to align its procurements pursuant to the Act with related procurements undertaken in other jurisdictions. The Department reserves the right to withdraw, revise, and reissue this RFP at any time to facilitate this multi-jurisdictional coordination.

Pursuant to Section 1(d) of the Act, the Department is authorized to procure natural gas resources for up to 375,000 MMBtu/day, less the natural gas equivalent quantity for any electric resource proposals selected pursuant to Sections 1(b) and 1(c) of the Act. The Act limits the procurement of electric resources to 10% of Connecticut EDC load. The Department estimates that the natural gas equivalent of 10% of Connecticut EDC load is approximately 75,000 MMBtu/day, which leaves a potential maximum procurement

quantity of approximately 300,000 MMBtu/day of natural gas resources via this RFP in the event that the Department procures the maximum quantity of electric resources permitted under Sections 1(b) and 1(c) of the Act.¹ Accordingly, through this RFP the Department may procure a *maximum* of between 300,000 and 375,000 MMBtu/day of natural gas resources.

PROPOSAL DEADLINE

Proposals must be submitted by Wednesday, June 29, 2016 at 12:00 P.M – EST. **Applications or supporting documents received after that date and time will not be considered.**

A. OBJECTIVE OF RFP

The primary objective of this RFP is to identify cost-effective resources that will increase the reliability of electric service for the benefit of the state's electric ratepayers and advance the state's energy and environmental goals and policies established in the Act, the 2014 Integrated Resources Plan, and the 2013 Comprehensive Energy Strategy. The primary firm gas supply resources solicited in this RFP are intended to be utilized by gas-fired generators in the New England region to improve the affordability and reliability of regional electric supply. Currently, there is inadequate pipeline delivery capacity into and within New England to meet gas-fired generation requirements, which has the potential to threaten grid reliability, especially during cold winter weather. This RFP is designed to identify competitive bids for pipeline, LNG, and/or Natural Gas Storage capacity alternatives to alleviate those constraints in order to improve winter electric supply reliability at the lowest cost for electric ratepayers. Such entitlements may include natural gas capacity, LNG, and/or Natural Gas Storage for the benefit of electric ratepayers.

The selection of any bid through this RFP is expressly contingent upon any selected Bidder obtaining all necessary authorizations, including but not limited to, governmental authorizations, approvals, and permits required to implement a new rate schedule and include such rate schedule as part of their Federal Energy Regulatory Commission ("FERC") Gas Tariff, if applicable. Further, any selected Bidder must use best efforts to seek authorization from FERC to allow the release of capacity on a preferential basis to

¹ Any proposals selected pursuant to subsections 1(b) and 1(c) of the Act shall not, in the aggregate, exceed 10% of the load distributed by the state's electric distribution companies. Accordingly, the costs and benefits of all proposals being evaluated pursuant to P.A. 15-107 (d) will be compared to the expected or actual costs and benefits of other resources eligible to respond to other procurements pursuant to the following RFPs: (1) Public Act 13-303 – Section 6 and 7 and Public Act 15-107 – Section 1(c) – Three State Renewable and Hydro Procurement, and (2) Public Act 15-107– Section 1(b) – 2 -20 MW Renewable, Demand Response and Energy Storage Procurement.

gas-fired electric generators in the ISO-New England region, and such authorization must be acceptable to DEEP and PURA. If such a preferential release authorization is denied by FERC, the Bidder may be required to reapply to FERC for such or similar authorization at one or more later dates at the direction of DEEP or the EDCs. DEEP reserves the right to reconsider and re-evaluate selected bids that have not received authorization from FERC to allow the release of capacity to electric generators on a preferential basis, to confirm whether the benefits of the project still exceed the costs to electric ratepayers. The Department intends to direct the EDCs to require competitive bidding among electric generators for released capacity pursuant to FERC authorization that permits the release of capacity on a preferential basis for these electric generators.

DEEP recognizes that an asset manager will likely be needed to manage any assets procured under this RFP. While Connecticut's LDCs have experience in managing releases of natural gas capacity, the entity or entities performing the asset manager role must be free of any actual or perceived conflicts of interest. Accordingly, in the event that the DEEP Commissioner selects a bid for Natural Gas Resources, the Department may recommend that the EDCs enter into an asset management agreement that may limit or affect the release of any capacity under this RFP. The asset management agreement must be in a form acceptable to DEEP and PURA, such that it ensures that the release of capacity to electric generators will always be available on a preferential basis to those electric generators; that the capacity may be recalled from generators that are no longer positioned to use it for electric generation, on an as-needed basis; and any other terms that DEEP or PURA believes is in the best interest of Connecticut's electric ratepayers. DEEP expects that a draft asset management agreement or policies and procedures for such agreements will be presented to PURA for review and approval at the time any selected bids are presented by the EDCs to PURA for approval. Furthermore, DEEP will require review and approval of the agreements and may require such asset management agreements or policies and procedures to be presented to DEEP by Selected Bidders and/or the EDCs prior to any selected bids being presented to PURA for review and approval.

B. REQUIREMENTS

PROPOSAL COMPLETENESS

Eligible Bidders must follow the instructions provided in this RFP and provide complete responses to all applicable sections. Eligible Bidders are also required to fill out all applicable Exhibits in this RFP. Eligible Bidders are required to provide the information specified in each section of this Proposal. If any of the information requested is inconsistent with the type of technology or product proposed, the Eligible Bidder should include "N/A" and describe the basis for this determination. If an Eligible Bidder does not have the information requested in the bid forms and cannot obtain access to the information prior to the bid submittal due date, the Eligible Bidder should provide an appropriate explanation.

Each proposal is required to address all of the following:

1. Delivery and Receipt locations: Provide physical locations where natural gas will be delivered to and transported from, including but not limited to a description of the upstream supply points from the production center to New England supporting the proposed resource. For pipeline project proposals, Bidders should discuss the liquidity at proposed receipt points as well as any known pipeline constraints upstream and downstream of such receipt points, and list any proposed upstream pipelines in development or construction upon which liquidity at the receipt points is dependent. For LNG proposals, Bidders should discuss the source of LNG supply including the country(ies) of origin and transportation logistics, including dedicated tanker and/or truck fleet commitments to transport LNG.

Bidders must supply a list of the power generators within New England for which the delivery of primary firm gas supply will be made available under the bid proposal, including identification of the volumes of gas that can be delivered to each facility under winter and summer peak electric system demand conditions. Bidders are responsible for the development of incremental infrastructure for the delivery of natural gas to generators in New England on a primary firm basis. A Bidder shall submit receipt and delivery point Maximum Daily Quantities ("MDQs"). Bidders are encouraged to provide delivery point flexibility to the extent possible such that volumes of gas can be delivered to multiple generators within operational segments of the pipeline.

Given that the objective of this RFP is to benefit Connecticut electric customers, Bidders are required to demonstrate that the proposal will provide reliable delivery of natural gas on a primary firm basis to generating facilities on peak winter days throughout the ISO - New England region. Preference will be given to proposals that provide incremental delivery capacity that are most likely to yield substantial benefits to electric customers in Connecticut and the ISO - New England region.

2. Service Type and Operational Flexibility: Bidders should indicate the type of service that will be provided and a detailed explanation of the operational flexibility afforded by the respective resource. The explanation of operational flexibility should set forth how the proposed project or service offering can meet the needs of gas-fired electric generation that frequently runs at a higher level during specific hours of the day (i.e. on-peak hours). Bidders are reminded that this RFP does not limit proposals to one technology. For example, a Bidder may include a proposal to build or segment an interstate pipeline with a series of LNG contract options to provide bridge supply pending completion of pipeline work. The project or existing facility must be able to demonstrate that it can provide the required natural gas on a primary firm basis to generator delivery meters in the ISO – New England region for the duration of the contract.
3. Quantity: As is discussed above, the Department may procure a maximum of up

to 300,000 to 375,000 MMBtu/day of natural gas resources via this RFP for the benefit of Connecticut electric ratepayers. Bidders must identify which generation facilities will be served in the region at different levels of discrete investment. The proposal and each supply configuration should clearly delineate: i) the total project size ("Total Project Quantity"); ii) any quantity already committed to EDCs, LDCs, and/or other parties (via contracts, precedent agreements or other mechanisms); iii) the quantity, or range of quantities, offered to Connecticut ("Connecticut Quantity"); and, iv) the minimum quantity, or range of quantities required to make each facility configuration economically viable (or lower cost). The Bidder may demonstrate project scalability (upward or downward) by specifying a range of quantities (for example a 1,000,000 MMBtu/day pipeline project may also be offered at 800,000 MMBtu/day or some other offered quantity with relevant quantities adjusted in an alternate proposal). There is no limit to the number of alternate quantity proposals that may be included, but Bidders must clearly specify any implications to the proposed project, including but not limited to schedule and rate impacts associated with such scaling.

Bids for LNG and Natural Gas Storage must include both the MDQ and Maximum Annual Quantity ("MAQ") of commodity or storage capacity. Such bids must indicate the extent to which reinjection can take place during the winter season. Bids including a liquefaction/injection component must also specify the point at which natural gas must be tendered for injection. Bids for LNG and/or Natural Gas Storage must also include definition of the requisite downstream transportation via interstate pipeline to generators in the ISO - New England region on a primary firm basis.

Proposals for LNG and Natural Gas Storage must be at least 100,000 MMBtu/day for at least 10 days per heating season, November through March.

4. Price: Bidder is required to provide the price of the resource, including but not limited to any fixed or variable charges, necessarily incurred from a liquid sourcing point to the delivery meter, that the customer would incur by executing a contract with the selected Bidder. All Bids must specify, in absolute terms and nominal dollars, the maximum rate to be charged for the services offered. Any bids based on cost of service must also specify a cap (Maximum Rate). The Maximum Rate should also be stated at a 100% load factor basis applicable over the term of the contract. Bidders must identify all relevant pricing terms including relevant price indices. Bidders are required to certify that the prices, terms and conditions of the Bidder's proposal are valid and shall remain open for at least 270 days from the submission date.
5. Contract Term and Renewal Rights: Eligible Bidders are required to provide offers for a service term not exceeding 20 years with corresponding renewal rights.
6. Pro-forma Contract/Precedent Agreements: Each Bidder is required to submit a

contract or precedent agreement applicable and appropriate to the type of resource offered. A pro-forma precedent agreement is attached in Exhibit A. Eligible Bidders must include a marked version showing any proposed changes to the Pro-forma Contract/Precedent Agreement with their bid, and it is assumed that Eligible Bidders would be willing to execute the marked-up Pro-forma Contract/Precedent Agreement included in their bids. Eligible Bidders are discouraged from proposing material changes to the Pro-forma Contract/Precedent Agreements. Eligible Bidders are made aware, via this RFP, that they may be required to execute a Natural Gas Base Contract, which represents standard terms and provisions from the North American Energy Standards Board, Inc. ("NAESB"), for contracting of Natural Gas resources. Additional Special Provisions may be outlined as part of the Natural Gas Base Contract at the Discretion of the DEEP and the EDCs. However, additional supplemental Special Provisions may be included prior to the selection of the winning bid(s) (Appendix E). Lastly, Bidders should be aware that any proposed terms and provisions in this RFP, supporting exhibits, and attachments are not indicative of a final agreement, and that such terms or provisions may change, subject to further negotiations by the EDCs with Eligible Bidders.

7. Tariffs and Pro-forma Service Agreements: Bidders must submit existing and proposed Tariffs and Pro-forma Service agreements. Bidders that are submitting proposals for LNG and Natural Gas Storage should submit Tariffs and Pro-forma Service agreements as well. Pipeline, LNG, and Natural Gas Storage Bidders should also submit provisions, if any, for No-Notice Service.
8. Documentation of Experience with Development and Management of Natural Gas Resources: Bidders are required to document their experience in developing and managing natural gas resources, identifying the scope of the activities for which they were responsible, the companies they served, and the periods in which the services were provided. Bidders are requested to highlight their experience in the northeastern US market.
9. Regulatory/Siting Approvals/Timing: Bidders are required to list all regulatory/siting approvals necessary from agencies at the Federal, State and Municipal levels that will be required by the proposed resource. Bidders are required to itemize all of the physical assets and/or facilities, including new and/or existing rights of way, that are required to provide the services proposed in response to this RFP, including a list of all permits required (to the extent not already obtained).
10. Audited Financial Statements, Annual Reports, and Credit Ratings: Bidders should provide a copy of their audited financial statements with notes for at least the past three years and their most recent annual report with management's discussion and analysis. Bidders should also provide documentation of their current credit ratings from Moody's Investor Services, Standard and Poor's, or Fitch Ratings.

11. Business Condition and Financial Reports: Bidders shall provide an overview of their firm, including corporate profile, ownership structure, and financial condition. Bidders should include how the project or service will be financed or supported, including but not limited to the financial instruments and structures the company will utilize in both development and operation of its resource proposal. Bidders should also be prepared to provide other relevant information relating to their qualifications, business, and operations.
12. Disclosure of Legal Matters and Conflicts of Interest: Bidders shall provide details of any claims, disputes, litigation, FERC, the Securities and Exchange Commission (“SEC”) or state regulatory action, enforcement action, investigation or other legal proceedings relating to their firm or individual personnel referenced in the proposal (in their business capacity) in the three preceding years. Describe any activities or relationships in which the firm or firm personnel is engaged which may constitute a conflict of interest in providing the services to the EDCs or any claims or disputes with EDCs or any of its affiliates.
13. Environmental Assessment and Permit Acquisition Plan: Bidders are required to complete and provide complete responses in Exhibit D, Environmental Assessment and Permit Acquisition Plan, which addresses environmental and other regulatory issues associated with project siting, development and operations. A viable plan should include an assessment of environmental impacts, including impacts to prime farmland and agricultural soils, and the plan to mitigate such impacts or impediments. All information provided by bidders in this Exhibit D should be for the entire project route and not just within Connecticut’s geographical jurisdiction.
14. Project Schedule: Bidders are required to provide a complete critical path schedule for the project from the notice of selection of the project for contract consideration to the start of commercial operations. For each project element, list the start and end date. Identify the elements on the critical path. The schedule should include, at a minimum, start of construction, construction schedule, siting, financing, engineering and procurement, acquisition of real property rights, Federal, state and/or local permits, licenses, environmental assessments and/or environmental impact statements (including anticipated permit submittal and approval dates) and any other requirements that could influence the project schedule and the commercial operation date, etc. Also, detail the status of all critical path items.

C. PROCEDURES AND BIDDER CERTIFICATION

1. FILING PROTOCOL AND COMMUNICATION BETWEEN THE DEPARTMENT AND APPLICANTS

This Notice and related information can be found under “Public Act 15-107–

Section 1(d) – Natural Gas Capacity, LNG and Natural Gas Storage Procurement” on the Department’s website at: [http://www.dpuc.state.ct.us/DEEPEnergy.nsf/\\$EnergyView?OpenForm&Start=27&Count=30&Expand=32&Seq=6](http://www.dpuc.state.ct.us/DEEPEnergy.nsf/$EnergyView?OpenForm&Start=27&Count=30&Expand=32&Seq=6).

All communications with the Department pertaining to this Notice must be submitted via e-mail with the subject line “Public Act 15-107– Section 1(d) Procurement” to: DEEP.EnergyBureau@ct.gov. Applicants are prohibited from direct contact with the EDCs and the Department’s Consultant regarding this RFP (other than as directed by the Department).

The Department strongly prefers to receive questions regarding this RFP via email. Prospective Applicants may submit written questions to the Department pertaining to the solicitation. All questions must be submitted to: DEEP.EnergyBureau@ct.gov no later than Wednesday, June 8, 2016. The Department is under no obligation to answer any question after this deadline. The Department reserves the right to publish any agency response to the questions on the Department’s website for all participants to view no later than Wednesday, June 15, 2016. The Department will endeavor to publish written responses to questions on a rolling basis, but will not post any responses after this deadline.

2. SUBMISSION REQUIREMENTS

a. SUBMISSIONS TO THE DEPARTMENT

Responses to this RFP must be made in writing and be made by mail and electronically. All electronic and hardcopy proposals must be received by Wednesday, June 29, 2016 at 12:00PM Eastern Time. The Department will not accept by mail any proposal from a Bidder sent as a follow up to its email proposal that differs from its email proposal. Applicants should submit both redacted and non-redacted versions of the Application and Supporting Materials on CDs.

In order to submit a proposal electronically, the applicant must first register for electronic filings on the Department’s website at <http://www.ct.gov/deep/energyfilings>. The Department recommends that the Bidder complete the registration process at least 24 hours prior to submitting a proposal. Proposals are submitted via the same link as used for registration (<http://www.ct.gov/deep/energyfilings>). In accordance with the Connecticut General Statutes Section 1-200 et seq., all information submitted electronically may be subject to disclosure under the Connecticut Freedom of Information Act.

The Department will not redact the proposal submitted through the electronic filings system. Anything submitted through the Energy Filings system website will be made AVAILABLE TO THE PUBLIC on the

Department's website.

Please file three **unredacted** three-ring-bound copies of the complete proposal and one complete **unredacted** copy of the entire proposal on a CD to Debra Morrell, Department of Energy and Environmental Protection, Bureau of Energy and Technology Policy, Ten Franklin Square, New Britain, CT 06051. The Department reserves the right to reject a proposal received after the deadline.

b. SUBMISSIONS TO THE EDCS AND THE DEPARTMENT'S CONSULTANT

Each Applicant shall submit a complete **unredacted** electronic copy of their entire proposal in the form of a labeled CD, as well as one hard-copy to:

Levitan & Associates, Inc.	Eversource Energy	United Illuminating	Connecticut Natural Gas Corporation / Southern Connecticut Gas Company
Richard L. Levitan, President 100 Summer Street Suite 3200 Boston, MA 02110 Phone: (617) 531 2818	Edna Karanian Director, Gas Supply 107 Selden Street Berlin, CT 06037 Phone: (860) 665-3750 Fax: (860) 665-6296	Alan Trotta Director, Wholesale Power Contracts 157 Church Street 16th Floor New Haven, CT 06506 Phone: (203) 499-3271 Fax: (203) 499-3625	Mark Pranaitis Manager Gas Supply 77 Hartland Street 4th Floor East Hartford, CT 06108 Phone: (860) 727-3254 Fax: (860) 727-3387

The telephone numbers provided are for overnight delivery purposes only. As above, each CD must be labeled with the Project Name and Applicant Name. These proposals must arrive with the EDCs and Department's Consultant no later than Wednesday, June 29, 2016 at 12:00 P.M. E.S.T. (noon).

For filings with the EDCs and Department's Consultant, each Applicant must execute an Exhibit C ("Consent to Limited Disclosure of Confidential Business Information"). **A proposal will be considered incomplete unless all required Exhibits are signed and submitted with the proposal.**

c. BIDDER CERTIFICATION

Each proposal shall have signed Exhibit B ("Certification Signature Page") attached to its submission.

Each proposal shall contain the full name and business address of the Bidder and Bidder's contact person and shall be signed by an authorized representative of the Bidder. Bidders may sign the original proposal and include copies of the

signature page with the copies.

Each proposal must be submitted by an authorized representative of the Bidder, and by its submission of its bid the Bidder certifies that:

- The Bidder has reviewed the RFP and all attachments and has investigated and informed itself with respect to all matters pertinent to the RFP and its proposal;
- The Bidder's proposal is submitted in compliance with all applicable federal, state and local laws and regulations, including antitrust and anti-corruption laws;
- The bidder is bidding independently and has no knowledge of non-public information associated with a proposal being submitted by another party in response to this RFP other than: (1) a response submitted (a) by an affiliate of bidder or (b) for a project where bidder is also a project proponent or participant, which in each case must be disclosed in writing to the Evaluation Team with each such bidder's or affiliated bidder's proposal; or (2) a submission of multiple bids by the same Bidder;
- The developer has no knowledge of any non-public information associated with the development of this RFP; and
- The bidder's proposal has not been developed utilizing knowledge of any non-public information associated with the development of this RFP.

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

The Department shall have the exclusive right to select or reject any or all of the proposals submitted at any time, for any reason. The Department may also disregard any bid submission not in accordance with the requirements contained in this RFP. Further, the Department expressly reserves the right, in its sole and absolute discretion (exercised individually), to seek clarifications of any submissions, to seek modifications to any submissions, to unilaterally change the schedule described herein or modify any of the rules and procedures set forth herein or subsequently issued, to terminate the process described herein, and to invite any (or none) of the Respondents to participate further in the process, all without prior notice.

The EDCs are the contracting parties to any contracts related to this solicitation

and as such they will have access to all proposals, related evaluations, analysis and documents. Additionally any contract must be approved by PURA. Any Tariff or Service Agreement will be subject to approval by the FERC. PURA and FERC approvals will be conditions precedent to any contracts/Agreements.

D. PROPOSED SCHEDULE

The following is the schedule **(subject to change)** for this RFP process:

Issue Draft RFP and Request for Written Comments	Wednesday, March 9, 2016
Written Comments on Draft RFP Due	Tuesday, March 29, 2016
Issue Final RFP	Thursday, June 2, 2016
Deadline for Submission of Written Questions on Final RFP	Wednesday, June 8, 2016
Deadline for DEEP to Post Q&A on DEEP's Website	Wednesday, June 15, 2016
Proposals Due	Wednesday, June 29, 2016
Final Gas Projects Identified – DEEP Determination Issued	July - Aug 2016
EDCs Submit Contracts to PURA for Review and Approval	Monday, October 31, 2016
PURA Decision (Issued 90 Days from EDC submission of Contracts to PURA)	Monday, January 30, 2017
Execute Final Contract(s)	TBD

E. CONFIDENTIALITY

1.) CONNECTICUT FREEDOM OF INFORMATION ACT DISCLOSURE STATEMENT

If a Bidder wishes to submit information to the Department that is of a confidential nature, please recognize that the Connecticut Freedom of Information Act governs the public's accessibility to that information. This law generally requires the disclosure of material in the possession of the State upon request of any citizen, unless the material is specifically exempt from disclosure. An example of an exemption is a "trade secret," as defined by section 1-210(b)(5) of the Connecticut General Statutes. Information claimed as confidential must be isolated from other material in the proposal and labeled "CONFIDENTIAL." With the submission of information claimed and labeled as confidential, Bidders must provide the legal basis for the confidentiality claim, describe what efforts have been taken to keep the information confidential, and provide whether the information sought to be protected has an independent economic value by not being readily known in the industry. With the legal support and reasonable justification for

confidentiality as described herein, the Connecticut state agencies will be better equipped to safeguard your confidential information should it become the subject of a Connecticut Freedom of Information Act inquiry. Information deemed confidential will remain confidential for losing Bidders.

All information for winning Bidders, including confidential information, will be released and become public 180 days after contracts have been executed and approved by all relevant regulatory authorities, unless such confidential information is granted further protective treatment as ordered by the Connecticut PURA.

2.) CONFIDENTIALITY OF PROPOSAL SUBMISSIONS

Bidders must submit a redacted public version to remove information that qualifies for confidential treatment. Each proposal shall contain the full name and business address of the Bidder and Bidder's contact person and shall be signed by an authorized officer or duly authorized representative of the Bidder. Bidders must sign the original proposal and include copies of the signature page with the bids. The full name and business address of the Bidder must be included in the public version of the proposal(s). Each proposal must be submitted publicly, with confidential material redacted at the Bidder's option, to the Evaluation Team. The Evaluation Team will not redact the public versions of proposals. Anything submitted in the public version will be made AVAILABLE TO THE PUBLIC.

If a Bidder elects to redact any confidential business information in the public version of its proposal(s), it must also submit an un-redacted, complete version of the proposal(s). The confidential versions of proposals will be treated as confidential and sensitive information by the Evaluation Team, subject to the treatment of confidential information as the Bidders must clearly identify all confidential or proprietary information including pricing. Only legitimate non-public proprietary or sensitive information may be considered confidential. The Evaluation Team shall use commercially reasonable efforts to treat the confidential information that it receives from Bidders in a confidential manner and will not use such information for any purpose other than in connection with this RFP. The Bidder shall provide written confirmation of its consent for the sharing of this information as the Evaluation Team may request. Depending upon the evaluation of bids received, however, the Evaluation Team may seek permission from Bidders to share bids with other state agencies, individuals or entities.

Similarly, Bidders shall use commercially reasonable efforts to treat all confidential information received from the Evaluation Team or individual entities serving on the Evaluation Team in a confidential manner and will not, except as required by law or in a regulatory or judicial proceeding, disclose such information to any third party or use such information for any purpose other than in connection with this RFP.

Each of the members of the Evaluation Team, as well as their employees, agents, and consultants, shall be held harmless for any release of confidential information as

long as reasonable efforts to protect the information have been followed. In any event, each of the members of the Evaluation Team, as well as their employees, agents, and consultants, shall be held harmless for any release of confidential information made available through any public source by any other party.

F. EVALUATION OF PROPOSALS AND SELECTION PROCESS

Once proposals are received, the proposals will be subject to a review, evaluation and selection process. The first stage ("Stage One") consists of a review of whether the proposals satisfy specified eligibility, threshold and other minimum requirements set forth in Section F-1 of this RFP. The second stage ("Stage Two") consists of quantitative and qualitative evaluation of proposals that pass the Stage One review, as described in Section F-2 of this RFP.

The Evaluation Team, as defined in the Background Section of this RFP, will receive the bids including confidential materials and conduct the evaluation and rank bids, as described below.

The selection of proposals will be solely the responsibility of the Department, in consultation with the State's Procurement Manager, the OCC, the AG, and the Consultant. The Department may also consult the EDCs on the selection of proposals. Evaluation and selection will involve an iterative process after an initial threshold examination and quantitative analysis of bids. In the event that DEEP finds any proposals submitted in response to this RFP to be in the interest of ratepayers, and to meet the requirements of Section 1(e) of the Act (referenced below), DEEP may direct the EDCs to negotiate with any selected Bidder(s) and to finalize a contract that will be filed with PURA for review and approval.

(e) The Commissioner of Energy and Environmental Protection, in consultation with the procurement manager identified in subsection (1) of section 16-2 of the general statutes, the Office of Consumer Counsel, and the Attorney General, shall evaluate project proposals received under any solicitation issued pursuant to subsection (b), (c) or (d) of this section, based on factors including, but not limited to, (1) improvements to the reliability of the electric system, including during winter peak demand; (2) whether the benefits of the proposal outweigh the costs to ratepayers, (3) fuel diversity; (4) the extent to which the proposal contributes to meeting the requirements to reduce greenhouse gas emissions and improve air quality in accordance with sections 16-245a, 22a-174, and 22a-200a of the general statutes; (5) whether the proposal is in the best interest of ratepayers; and (6) whether the proposal is aligned with the policy goals outlined in the Integrated Resources Plan, pursuant to section 16a-3a of the general statutes, and the Comprehensive Energy Strategy, pursuant to section 16a-3d of the general statutes, including, but not limited to, environmental impacts. In conducting such evaluation, the commissioner may also consider the extent to which project proposals provide economic benefits for the state. In evaluating project

proposals received under any solicitation issued pursuant to subsection (b), (c) or (d) of this section, the commissioner shall compare the costs and benefits of such proposals relative to the expected or actual costs and benefits of other resources eligible to respond to the other procurements authorized pursuant to this section.

1.) STAGE ONE – MINIMUM THRESHOLD REQUIREMENTS

In order for a proposal to qualify for evaluation, it must satisfy the requirements described in this Section. These requirements are designed to ensure that proposed projects are Eligible Projects. An Eligible Project is one that complies with the requirements of this RFP, satisfies any relevant statutory criteria, and meets minimum standards demonstrating project viability. Following receipt of the proposals, the proposals will be reviewed to determine whether they satisfy these minimum requirements. Proposals that do not satisfy the Stage One requirements may be disqualified from further review and evaluation. Stage One requirements are set forth in the following section and in the Qualitative Evaluation Metrics of this RFP.

- I.) IN SERVICE DATE:** Bidders must submit proposals for projects of Natural Gas Resources that will commence the flow of such resources to all proposed receipt and delivery points by December 31, 2021.
- II.) CONTRACT TERM AND RENEWAL RIGHTS:** Eligible Bidders are required to provide offers for a service term not exceeding 20 years with corresponding renewal rights.
- III.) ELIGIBLE RESOURCE VIABILITY:** An Eligible Bidder is a Bidder who can demonstrate that it meets the minimum standards of project or service eligibility and viability which includes the following attributes;
 - a) Bidder must be the owner of an Eligible Project or the owner of an existing facility capable of providing the required services, which are outlined in Section B.
 - b) Bidder must be able to demonstrate it has not only the experience, but also the technical and managerial capability to secure the requisite permits, regulatory approvals, construction materials, and labor, in conjunction with the sufficient financing to complete the proposed project, or have all of the necessary permits and authority to operate an existing facility to provide such services.
 - c) The Bidder must demonstrate that the technology it proposes to use in its proposal submission is technically viable. Technical viability may be demonstrated by showing that the technology is commercially available and has been used successfully.

- d) No bid may require, or allow for, payment for gas capacity or supply, or for any other reason, until service has commenced from the Eligible Project or existing facility.

IV.) WINTER RELIABILITY: The Eligible Project must be able to demonstrate that it can provide the required natural gas on a primary firm basis from a liquid supply point to generator delivery meters that it has proposed for the duration of the contract under all operating conditions, specifically during the traditional winter period months of November through March of each year throughout the term of the contract. Bidder should provide specific examples of how increased reliability will be achieved by the Eligible Project.

V.) MINIMUM AND MAXIMUM CONTRACT SIZE

For this RFP, the proposed Natural Gas Resources bids will have the following limits:

- a.) Bids must be proposed with a maximum Connecticut Quantity not to exceed 375,000 MMBtu/day and a maximum Total Project Size not to exceed 2,000,000 MMBtu/day.
- b.) LNG: Bids must be proposed with a minimum project size of 100,000 MMBtu per day for a period of 10 days per heating season, November through March, and a maximum Total Project Size of no more than 2,000,000 MMBtu per day for a period of thirty days.
- c.) Natural Gas Storage: Bids must be proposed with a minimum project size of 100,000 MMBtu per day for a period of ten days and a maximum Total Project Size of 2,000,000 MMBtu per day for a period of up to 151 days.

The maximum Connecticut Quantity for any bid must be no greater than 375,000 MMBtu /day.

2.) STAGE TWO – QUANTITATIVE AND QUALITATIVE ANALYSIS

The Evaluation Team will utilize a combination of quantitative and qualitative criteria to evaluate projects. Proposals that meet the requirements of the Stage One review will be subject to a quantitative and qualitative analysis in Stage Two of the evaluation process. The results of the quantitative and qualitative analysis will be a relative ranking and scoring of all proposals. Stage Two scoring will be based on a 100-point scale. Proposals will be scored with up to 75 points for quantitative factors. The remaining 25 points will be scored for qualitative factors for purposes of conducting the Stage Two evaluation.

Pursuant to the Act, the Evaluation Team is required to compare the costs and benefits of all proposals being evaluated pursuant to the Act to the expected or actual costs and benefits of other resources eligible to respond to other procurements pursuant to the Act. The Department is in the process of evaluating proposals from other resources pursuant to the Act through the following RFPs: (1) Public Act 13-303 – Section 6 and 7 and Public Act 15-107 – Section 1(c) – Three State Renewable and Hydro Procurement, and (2) Public Act 15-107– Section 1(b) – 2-20 MW Renewable, Demand Response and Energy Storage Procurement.

I. EVALUATION USING QUANTITATIVE CRITERIA

The Evaluation Team will utilize the services of the Consultant to calculate the present value of the costs and benefits of the gas resource, which will include the present value of the payments to the project over the contract term and the quantified benefit in terms of the reduction in wholesale energy prices in the ISO – New England region. To quantify the benefit in wholesale energy prices for Connecticut electric ratepayers over the contract term, the Evaluation Team and the Consultant will compute the change in Locational Market Prices (LMPs) in New England.

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

a.) INDIRECT ECONOMIC BENEFITS

The quantitative evaluation process will begin with an evaluation of the impact of a pipeline, LNG and/or Natural Gas Storage project's impact on delivered gas prices at pricing points of relevance for wholesale electricity generation in New England. Then indirect economic benefits to customers will be calculated using the outputs from an electric generation cost simulation model. The indirect economic benefits will be measured by comparing the model outputs with and without the bid. Benefits to be considered are based on a combination of change in LMPs and change in production cost. Benefits may also include economic impact to ratepayers based upon changes in LMP during alternative scenarios, which may include stressed system conditions. The calculation of indirect economic benefits will include an assumption that the evaluated project is offered on a preferential basis to gas-fired electric generators in the ISO - New England region for the purpose of electricity generation. At the Evaluation Team's option, the evaluation may use representative projects to estimate the indirect benefits of projects that are bid that are very similar in technology type, size, and delivery location.

b.) DIRECT BENEFITS

The model will also capture the direct benefits that are generated by the sale of gas capacity to generators and the general market place which will serve to offset the costs of the gas resource net of any administrative costs.

c.) QUANTITATIVE EVALUATION METRICS

The quantitative evaluation will use a present value analysis to rank all projects that pass the initial screening (described in Section F.2.I). For purposes of computing the present value, a discount factor of 7% will be used.

The metric used for ranking bids will be the benefit to cost ratios of projects, based on the combination of direct and indirect benefits divided by the payments required by the project.

It is the Bidder's responsibility to support the basis for all estimates and underlying assumptions. The Evaluation Team reserves the right to request a Bidder to modify any portion of their proposal which does not provide sufficient support or information regarding the assumptions made to support its proposal. The Evaluation Team also reserves the right to modify assumptions across different proposals (e.g., if the respective proposals have conflicting assumptions regarding similar parts of their proposals, the Evaluation Team may use natural gas market price indices and pricing mechanisms, etc. to remove potential conflicts).

II.) QUALITATIVE EVALUATION

The qualitative evaluation will consist of the factors mandated by the Act as well as factors deemed important by the Evaluation Team, identified in the Section below.

FACTORS TO BE ASSESSED IN QUALITATIVE EVALUATION

Consistent with the Act, the Department will use the qualitative factors below to compare the costs and benefits of all proposals across all the procurements outlined in the Act and those referenced in Section F.2. of this RFP.

The qualitative factors will be assessed to determine the benefits that are generated to electric ratepayers are summarized as follows:

- I. Project viability, including, but not limited to, the ability of the project or existing facility to fulfill its proposed commitments from an economic, financial, technological, permitting, regulatory, construction feasibility, development status, credibility and experience perspective, impacts on environmental quality and natural resources, and positive re-use of disturbed or previously developed sites.

- II. Reductions in greenhouse gas emissions
- III. Improvements to air quality
- IV. Consistency with the policy goals outlined in the Connecticut 2013 Comprehensive Energy Strategy
- V. Consistency with the policy goals outlined in the Connecticut 2014 Integrated Resource Plan
- VI. Economic development benefits, specifically in Connecticut (i.e., capital expenditures, operating expenditures, jobs, taxes, etc.)
- VII. Installed capacity and local sourcing requirements
- VIII. Improvements to reliability, including during winter peak electric system demand
- IX. Contributions to fuel diversity
- X. Price Risk

The quantitative evaluation may be conducted before the qualitative evaluation. It is expected that not all proposals will pass to Stage Two and that not all proposals evaluated in Stage Two will be offered the opportunity to proceed to contract negotiation.

The Department may invite Bidders to discuss their proposals confidentially with the Evaluation Team in person. To ensure fairness, this opportunity will either be offered to all Bidders whose proposals pass the Stage One minimum threshold evaluation, or to no Bidders (i.e. in no event will the Evaluation Team offer to meet with only some Bidders who offer qualified proposals). It is anticipated that such discussions between Bidders and the Evaluation Team may allow for the revision of proposals.

The Evaluation Team will then finalize the evaluation results and rankings. The Commissioner of DEEP will make the determination as to the selection of any projects, in consultation with other members of the Selection Team.

G. REGULATORY APPROVAL

The EDCs' ability to make purchases under the contract is conditioned upon the execution of a contract and the approval of such contract by PURA. Once the parties have concluded negotiations and the Contracts have been executed, DEEP expects the EDCs to submit the executed Contracts to PURA by Monday, October 31, 2016. The Act requires PURA to issue a decision not later than ninety days after such filing. If PURA does not issue a decision within ninety days after such filing, the agreement shall

be deemed approved. Section H of the Act provides the regulatory approval requirements and the cost recovery of the approved contracts.

(h) Any agreement entered into pursuant to this section shall be subject to review and approval by the Public Utilities Regulatory Authority. The electric distribution company shall file an application for the approval of any such agreement with the authority. The authority shall approve such agreement if it is cost effective and in the best interest of electric ratepayers. The authority shall issue a decision not later than ninety days after such filing. If the authority does not issue a decision within ninety days after such filing, the agreement shall be deemed approved. The net costs of any such agreement, including costs incurred by the electric distribution company under the agreement and reasonable costs incurred by the electric distribution company in connection with the agreement, shall be recovered on a timely basis through a fully reconciling component of electric rates for all customers of the electric distribution company. Any net revenues from the sale of products purchased in accordance with long-term contracts entered into pursuant to this section shall be credited to customers through the same fully reconciling rate component for all customers of the contracting electric distribution company. For any contract for interstate natural gas transportation capacity, liquefied natural gas, liquefied natural gas storage, or natural gas storage entered into pursuant to this section, the electric distribution company may contract with a gas supply manager to sell such interstate natural gas transportation capacity, liquefied natural gas, liquefied natural gas storage, or natural gas storage or a combination thereof, into the wholesale markets at the best available price in a manner that meets all applicable requirements pursuant to all applicable regulations of the Federal Energy Regulatory Commission

Any executed contract will be filed for approval with the PURA and will not become effective unless approved by PURA or any other applicable regulatory body. Should responses to this RFP be of a scale requiring approvals in other states, Bidders agree to support the pursuit of regulatory approvals in those states.

EXHIBIT A

Precedent Agreement

PRECEDENT AGREEMENT

This PRECEDENT AGREEMENT ("Precedent Agreement") is made and entered into this ____ day of _____, 2016 ("Effective Date"), by and between [TRANSPORTER], [STATE] [ENTITY TYPE] ("Transporter"), and [SHIPPER], a [STATE] [ENTITY TYPE] ("Shipper"). Transporter and Shipper are sometimes referred to individually as a "Party" and collectively as the "Parties."

WITNESSETH:

WHEREAS, Transporter owns and operates an interstate natural gas transmission system in (specify STATES);

WHEREAS, Shipper desires that Transporter expand such interstate natural gas transmission system and purchase firm natural gas transmission service under (insert applicable Tariff existing/new) in connection with the _____ Project (the "Project");

WHEREAS, subject to the terms and conditions of this Precedent Agreement, Transporter is willing to construct the Project and provide the firm transportation service that Shipper desires;

NOW, THEREFORE, in consideration of the mutual covenants herein assumed, and intending to be legally bound, Transporter and Shipper agree as follows:

1. Transporter Obligations.

- a) Subject to the terms and conditions of this Precedent Agreement, Transporter shall proceed with due diligence to obtain from all governmental and regulatory authorities authorizations necessary: (i) for Transporter to construct, install, own, operate, and maintain the Project facilities, and, if applicable, abandon existing facilities, necessary to

provide the firm transportation service contemplated herein ("Transporter's Authorizations"), and (ii) for Transporter to perform its obligations as contemplated in this Precedent Agreement, including the obligation to seek authorization from the Federal Energy Regulatory Commission ("FERC") for receipt point flexibility as described in the following sentence.

] [Placeholder - To be further defined] Furthermore, Transporter agrees to use best efforts to seek any necessary authorization or waiver from FERC that may be required to allow Shipper to release capacity to gas-fired electric generators on a preferential basis in the ISO-New England region.

- b) Transporter reserves rights to (i) file and prosecute any and all applications for such authorizations and, (ii) requests for rehearing or court review, as appropriate, that are consistent with this Precedent Agreement, the FTSA (defined below in Paragraph 3) and the Negotiated Rate Agreement (in the form attached as Attachment A-2 hereto ("Negotiated Rate Agreement")).
- c) Transporter agrees to (i) provide Shipper with an opportunity to review and comment on the text of Transporter's FERC application, before filing, and shall, in good faith, work with Shipper to address any concerns raised by Shipper with respect to such application, (ii) promptly notify Shipper in writing when each of Transporter's Authorizations is received, obtained, rejected or denied and, (ii) promptly notify Shipper in writing as to whether a Transporter Authorization that has been received or obtained is acceptable to Transporter.

- d) During the term of this Precedent Agreement, Transporter agrees to use reasonable efforts to support and cooperate with, and to not oppose, obstruct or otherwise interfere with, Shipper in Shipper's efforts to obtain Shipper Authorizations as referenced below. In the event that any necessary FERC authorization or approval for the capacity release tariff amendment or waiver is not received by Transporter by _____, despite Transporter's best efforts, Transporter shall have the right to terminate this Precedent Agreement. Transporter's termination right pursuant to this Paragraph 2 expires if it is not exercised within Ten (10) days after _____. The term of the Precedent Agreement will commence on the Effective Date and continue until the Precedent Agreement is terminated.

2. Shipper Obligations.

- a) Subject to the terms and conditions of this Precedent Agreement, Shipper shall proceed with due diligence to obtain all necessary and appropriate authorizations and approvals from governmental and regulatory authorizations necessary for Shipper to perform its obligations as contemplated in this Precedent Agreement, the FTSA and the Negotiated Rate Agreement referenced in this agreement and to recover all costs associated therewith ("Shipper's Authorizations").
- b) Shipper reserves the right to file and prosecute applications for Shipper Authorizations, and any court review, if necessary, in a manner it deems

to be in its best interest. Shipper agrees to promptly notify Transporter in writing when each of Shipper Authorizations is received, obtained, rejected or denied. All Shipper Authorizations must be issued in a form acceptable to Shipper.

- c) Shipper shall promptly notify Transporter in writing as to whether each of Shipper Authorizations that has been received or obtained is acceptable to Shipper.
- d) During the term of this Precedent Agreement, Shipper agrees to use reasonable efforts to support its obligations as contemplated by this Precedent Agreement. Nothing herein shall be construed to limit or waive Shipper's rights to intervene or protest any filing by Transporter to the extent Shipper determines in good faith that such filing is not consistent with Transporter's obligations or Shipper's rights under this Precedent Agreement, the FTSA or the Negotiated Rate Agreement.

3. Firm Transportation Service Agreement ("FTSA").

- a) FTSA. Subject to the conditions set forth herein, Shipper and Transporter agree that no later than XXX (to be specified) days following the date on which the FERC issues an order granting Transporter a certificate of public convenience and necessity to construct the Project facilities to allow Transporter to commence the construction of the Project (or such other mutually agreed date) Transporter and Shipper will execute the FTSA in the form attached as Attachment A hereto under Rate Schedule _____ which (i) specifies a Maximum Daily Quantity ("MDQ") of XX,XXX Dth/d,

exclusive of fuel requirements, effective on the Service Commencement Date (as determined in accordance with Paragraph 4 of this Precedent Agreement), (ii) specifies a primary term of [_____] (XX) years commencing on the Service Commencement Date ("Primary Term"), (iii) specifies Primary Point(s) of Receipt at [_____] and a Maximum Daily Receipt Quantity ("MDRQ") of XX,XXX Dth/d; (iv) specifies the following Primary Points of Delivery and Maximum Daily Delivery Quantities ("MDDQ"): *[location description and meter number(s)]*; and (v) incorporates the terms of the Negotiated Rate Agreement (the "FTSA"). (vi) Project shall provide details of any proposed Hourly flexibility. Transporter will accept its FERC certificate of public convenience and necessity to construct the Project facilities no later than five TBD days after the execution of the FTSA between Transporter and Shipper. The Shipper's MDQ shall be subject to adjustment to the extent necessary to (1) comply with applicable state law, regulation or order, including but not limited to, Shipper's Authorizations, and (2) at Shipper's sole discretion, if warranted after further evaluation and discussion with relevant parties. At no time shall the cumulative Connecticut Shipper's share exceed 375,000 Mcf/day.

- b) Rate. Transporter and Shipper further agree that they will execute, in accordance with Transporter's Tariff, the Negotiated Rate Agreement, consistent with the terms of this Precedent Agreement, as set forth on

Attachment A-2 hereto, subject to approval by the FERC, which shall become effective on the Service Commencement Date.

- c) Primary Term Extension. Not less than X months prior to the end of the Primary Term, Shipper may, at its option, extend the Primary Term for up to 100% of the MDQ for TBD years (each a "Primary Term Extension"). The applicable rates during the term of such extension shall be as set forth in the Negotiated Rate Agreement.
- d) Renewal. Shipper shall have an evergreen right to extend the term of the FTSA after the end of the Primary Term or the Primary Term Extension for all or any portion of the MDTQ at the then-effective rate set forth in the Negotiated Rate Agreement, subject to Shipper providing Transporter written notice at least _____ (TBD) months prior to the end of the Primary Term or Primary Term Extension, as applicable, and subject to the right of first refusal ("ROFR") provisions as set forth in Transporter's FERC Gas Tariff.
- e) Right of First Refusal. Upon Transporter's termination of the FTSA at the end of the Primary Term, Primary Term Extension or annual renewal terms, Shipper shall have a Right of First Refusal pursuant to Transporter's Tariff to be applicable, at Shipper's discretion, to all or a portion of the Shipper's MDTQ, exercisable in accordance with the notice and other applicable provisions of the Tariff.
- f) Most Favored Nation Right. Shipper shall have a Most Favored Nation Right as set forth in the Negotiated Rate Agreement.

4. Commencement of Service.

- a) Subject to the terms and conditions of this Agreement, Transporter and Shipper agree to execute and deliver the FTSA in accordance with the provisions of Paragraph 3 (FTSA) and subject to the Conditions Precedent stated in this Agreement. Unless Transporter and Shipper amend this Agreement otherwise, service under the Firm Transportation Agreement shall commence no later than [DATE] The Firm Transportation Agreement shall have a primary term ending _____ (XX) years after the Commencement Date (the "Primary Term").

5. Design and Permitting of Project Facilities. Transporter will undertake with due diligence the design of the Project facilities and any other preparatory actions necessary for Transporter to complete and file its application(s) related to the Project with the FERC or other governmental authority as appropriate.

6. Construction of Project. Upon satisfaction of the conditions precedent set forth in Paragraphs 7 of this Precedent Agreement, or written waiver of the same by Transporter or Shipper, as applicable, Transporter shall proceed with due diligence to complete construction of the authorized Project facilities to implement the firm transportation service contemplated in this Precedent Agreement by [DATE].

7. Conditions Precedent. Commencement of service under the FTSA and Transporter's and Shipper's rights and obligations under the FTSA are expressly made subject to satisfaction of the following conditions precedent in this Paragraph 7 (only Transporter shall have the right to waive the conditions

precedent set forth in Paragraph 7(a) and only Shipper shall have the right to waive the conditions precedent set forth in Paragraph 7(b)):

a) Transporter's Conditions Precedent.

- i. Transporter's receipt of approval, on or before [Date], from its Board of Directors, or similar governing body, to construct the Project facilities and/or to execute the FTSA;
- ii. Transporter's receipt, on or before [Date], of all Transporter's Authorizations pursuant to Paragraph 1; and if necessary, all governmental authorizations, approvals, and permits required to implement a new rate schedule and include such rate schedule as part of its FERC Gas Tariff.
- iii. Transporter's procurement, on or before [Date], of all rights-of-way, easements or permits necessary for the construction and operation of the Project facilities;
- iv. Transporter's completion of construction of the Project facilities and all other facilities required to render firm transportation service for Shipper pursuant to the FTSA on or before [DATE].

b) Shipper's Conditions Precedent.

- i. Shipper's receipt of approval, on or before [DATE], from its Board of Directors, or similar governing body, to participate in the Project;
- ii. Shipper's receipt and acceptance by [DATE], of any necessary Shipper Authorizations identified in accordance with Paragraph 2 of

this Precedent Agreement in a final non-appealable form acceptable to Shipper;

- iii. Transporter's receipt by [DATE] of Transporter's Authorizations to provide the firm transportation service on the terms contemplated herein and in the FTSA and the Negotiated Rate Agreement, and to perform its other obligations contemplated herein; and
- iv. Transporter's completion of construction of the Project facilities and all other facilities required to render firm transportation service for Shipper pursuant to the FTSA on or before [DATE]
- v. Receipt of Authorization from the FERC on or before [DATE] allowing Shipper to release capacity to gas-fired electric generators on a preferential basis, in a form acceptable to Shipper, or Transporter's continued prosecution of any request to obtain such Authorization on a best efforts basis.

- c) With respect to each condition precedent set forth in Paragraph 7(a) of this Precedent Agreement, Transporter shall use commercially reasonable efforts to provide notice to Shipper within (TBD) days of the date that such condition precedent has been satisfied or waived. With respect to the conditions precedent set forth in Paragraphs 7(b)(i) and (ii) of this Precedent Agreement, Shipper shall use commercially reasonable efforts to provide notice to Transporter that such condition precedent has been satisfied or waived. After meeting with Shipper and the Connecticut Department of Energy and Environmental Protection, if the Transporter determines in its reasonable

discretion that there may be a substantive delay in the receipt of governmental or regulatory authorizations or approvals of any of the Shippers that are parties to this agreement, Transporter shall have the right to extend the Commencement Dates and/ or slow or suspend activities and expenditures to develop the Project.

- d) Unless otherwise provided for herein, Transporter's Authorizations contemplated in Paragraph 1 of this Precedent Agreement and otherwise associated with the FTSA and Negotiated Rate Agreement contemplated by this Precedent Agreement must be issued in form and substance reasonably satisfactory to both Parties hereto; provided that this Paragraph 7(d) does not give rise to a termination right for either Party independent of Transporter's termination right pursuant to Paragraphs 9(a) and 10(a) or Shipper's termination right pursuant to Paragraphs 9(b) and 10(b) hereof. Transporter shall provide written notice to Shipper not later than (TBD) days after issuance of any of Transporter's Authorizations, and shall offer to meet with Shipper promptly upon the issuance of any such authorization(s) to discuss any concerns or issues related thereto. For purposes of this Precedent Agreement, Transporter's Authorizations shall be deemed satisfactory to Shipper if such Authorizations are consistent with the terms of this Precedent Agreement, the FTSA and the Negotiated Rate Agreement and do not impose conditions or obligations that adversely affect Shipper. To the extent Shipper determines in Shipper's sole reasonable judgment that the Transporter's Authorizations do not satisfy the requirements of the immediately preceding

sentence, Shipper shall notify Transporter in writing not later than (TBD) days after receipt of Transporter's notice of such Authorizations, and shall detail the basis of such determination. Designated representatives of the Parties shall meet promptly and negotiate in good faith to reach mutual agreement on a reasonable modification or an agreeable alternative to address the unsatisfactory elements of such Authorizations, and each Party agrees to discuss in good faith any positions advanced by the other Party in accordance with the foregoing. All other governmental authorizations, approvals, permits and/or exemptions that Transporter must obtain must be issued in form and substance reasonably acceptable to Transporter. All governmental approvals that Transporter is required by this Precedent Agreement to obtain, or to use best efforts to obtain, must be duly granted by the FERC or other governmental agency or authority having jurisdiction, and must be final and no longer subject to rehearing or appeal; provided, however, Transporter may waive the requirement that such authorization(s) and approval(s) be final and no longer subject to rehearing or appeal. Transporter shall provide quarterly updates to Shipper regarding Transporter's progress in obtaining Transporter's Authorizations.

8. Limitation of Liability. NEITHER PARTY HERETO SHALL BE LIABLE FOR INCIDENTAL, SPECIAL, CONSEQUENTIAL, PUNITIVE, EXEMPLARY, OR INDIRECT DAMAGES, BY STATUTE, IN TORT OR CONTRACT OR OTHERWISE.
9. Termination of Precedent Agreement for Failure of Conditions Precedent

- a) If the conditions precedent set forth in Paragraph 7(a) of this Precedent Agreement have not been fully satisfied or waived by Transporter by the applicable dates specified therein or the Service Commencement Dates have not occurred by [DATE], and this Precedent Agreement has not been terminated pursuant to Paragraphs 10 or 11 hereof, then Transporter may thereafter terminate this Precedent Agreement (and the FTSA, if executed), by providing (TBD) days' prior written notice of its intention to terminate to Shipper; provided, however, if the conditions precedent are satisfied, or waived by Transporter within such (TBD) day notice period, then termination notice of such agreements will null and void. Transporter's termination right pursuant to this Paragraph 9(a) expires if it is not exercised within (TBD) days after the deadline giving rise to such termination right. In the event of such termination, Shipper shall have no financial or other obligation to Transporter.
- b) If the conditions precedent set forth in Paragraph 7(b) of this Precedent Agreement have not been fully satisfied or waived by Shipper by the applicable dates specified therein or if Service Commencement Date has not occurred by [DATE] and this Precedent Agreement has not been terminated pursuant to Paragraphs 10 or 11 hereof, then ~~Shipper~~ may thereafter terminate this Precedent Agreement (and the FTSA, if executed) by providing (TBD) days' prior written notice of its intention to terminate to Transporter; provided, however, if the conditions precedent are satisfied, or waived by Shipper within such (TBD) day notice period

(as applicable), then termination of such agreements will not be effective. Shipper's termination right pursuant to this Paragraph 9(b) expires if it is not exercised within (TBD) days after the deadline giving rise to such termination right. In the event of such termination, Shipper shall have no financial or other obligation to Transporter.

10. Additional Termination Rights.

- a) Transporter Termination Right. In addition to the provisions of Paragraph 9 hereof, Transporter may terminate this Precedent Agreement (and the FTSA, if executed) by providing written notice of termination to Shipper if:
 - (i) by the earlier of (a) the sixtieth (60th) day following the issuance of the FERC certificate for the Project, provided that no other material Transporter's Authorizations are outstanding, or (b) by [DATE], Transporter, in its sole and reasonable discretion, determines for any reasons that the Project contemplated herein is no longer economically viable; [or (ii) as of [DATE], substantially all precedent agreements, FSAs or other contractual agreements for the firm service to be made available by the Project are terminated, other than by reason of commencement of service] In the event of such termination, Shipper shall have no financial or other obligation to Transporter.
- b) Shipper Termination Right. Pursuant to 7(b)(v), in the event that (i) Transporter's certificates and authorizations from the FERC are, in Shipper's sole and reasonable judgment, not in a form and substance reasonably satisfactory to Shipper, and (ii) Shipper notifies Transporter in writing pursuant to Paragraph

9(b), Shipper may terminate. In the event of such termination, Shipper shall have no financial or other obligation to Transporter. In addition, to the extent that such Transporter's certificates and authorizations are materially inconsistent with the State of Connecticut authorizations, programs and approvals or the recovery of Shipper's costs associated therewith, designated representatives of the Parties shall promptly meet to remedy such material inconsistencies, including but not limited to Transporter's obligation to pursue and receive a subsequent order form FERC eliminating such material inconsistencies. Note: level of materiality and threshold for termination, to be negotiated and defined.

11. Termination upon Service Commencement Date. If this Precedent Agreement is not terminated pursuant to Paragraphs 9 or 10 hereof, then this Precedent Agreement will terminate by its express terms on the Service Commencement Date, and thereafter Transporter's and Shipper's rights and obligations related to the transportation service contemplated herein shall be determined pursuant to the terms and conditions of the FTSA, the Negotiated Rate Agreement and Transporter's FERC Gas Tariff, as effective from time to time. Notwithstanding any termination of this Precedent Agreement pursuant to Paragraphs 9, 10 or 11 hereof, or otherwise, to the extent that a provision of this Precedent Agreement contemplates that one or both Parties may have further rights and/or obligations hereunder following such termination, the provision shall survive such termination as necessary to give full effect to such rights and/or obligations.
12. Creditworthiness.

- a) In exchange for Transporter's execution of this Agreement, the FTSA, the Negotiated Rate Agreement and any other related agreements, and as a condition precedent to Transporter's obligations pursuant to such agreements, Shipper shall satisfy the following credit assurance provisions as of the effective date of this Agreement, and shall have a continuing obligation to satisfy the credit assurance provisions of this Agreement throughout the term of this Agreement, and such provisions of the FTSA, the Negotiated Rate Agreement and any other related agreements as may be in effect from time to time.
- b) Shipper - credit worthiness standards such as: [Shipper's senior unsecured debt or corporate credit rating is at least BBB- (outlook stable) by Standard & Poor's Financial Services LLC ("S&P") and at least Baa3 (outlook stable) by Moody's Investor Service ("Moody's") or equivalent rating from a nationally recognized statistical rating organization, registered with the SEC and FERC, and acceptable to Transporter; provided, however, that if Shipper is only rated by one agency, then only that rating shall be considered ("Credit Ratings"). For the purpose of this Paragraph 12(b), in the event of a split rating the lower rating applies.]
- c) If, at any time, Shipper does not meet the creditworthiness provisions of Paragraph 12(b), then Shipper shall provide to Transporter credit assurance in the form of either a guaranty from a guarantor which meets the creditworthiness standards in Paragraph 12(b), and in a form reasonably acceptable to Transporter, a letter of credit from an institution

acceptable to Transporter and in a form reasonably acceptable to Transporter, or a cash security deposit, as follows: (i) during the first (____) years of the Primary Term an amount equal to (TBD) months of reservation charges, and (ii) at the beginning of year _____ (____) and until the end of the Primary Term, an amount equal to (TBD) months of reservation charges. At end of the Primary Term and all subsequent extension periods, credit assurance (if any) shall then be based on Paragraph _____ of the General Terms & Conditions of Transporter's Tariff. For the avoidance of doubt, the Parties acknowledge that Transporter has determined that Shipper has a sufficient open line of credit with Transporter and its affiliates and that such determination as it relates to the Project will be effective through the end of the Primary Term of the Service Agreement.

- d) The credit assurance provided to Transporter in this Paragraph 13 shall continue in effect until the earlier of (i) Shipper satisfies the Credit Ratings standards, (ii) the execution of a credit agreement to replace this provision, or (iii) the end of the Primary Term, and full payment of all undisputed balances and charges and resolution of any asserted claims with respect thereto has been made by Shipper.
- e) If Shipper does not remedy its failure to demonstrate or furnish acceptable credit assurance as required by this Paragraph 13 within (TBD) days of receipt of written notice of such failure from Transporter, then Transporter shall, in addition to any other remedy available under this Agreement,

have the right to terminate this Agreement, the FTSA, and any other related agreements in accordance with the terms of Transporter's Tariff upon (TBD) days written notice to Shipper, provided that such Transporter notice of termination shall be null and void if Shipper has demonstrated or furnished the required credit assurance prior to the expiration of such (TBD) days written notice.

13. Amendments. This Precedent Agreement may not be modified or amended unless the Parties execute written agreements to that effect.
14. Prior Agreements. This Precedent Agreement and its attachments, when executed, supersede all prior agreements and understandings, whether oral or written, with respect to the Project.
15. Successors; Assignments. Any company which succeeds by purchase, merger, or consolidation of title to the properties, substantially as an entirety, of Transporter or Shipper, will be entitled to the rights and will be subject to the obligations of its predecessor in title under this Precedent Agreement. Otherwise, neither Shipper nor Transporter may assign any of its rights or obligations under this Precedent Agreement without the prior written consent of the other Party hereto, provided that such consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, Transporter and Shipper shall each have the right, without obtaining the other Party's consent, to pledge or assign its rights under this Precedent Agreement and/or the FTSA as collateral security for indebtedness incurred by such Party or its affiliate.

16. No Third-Party Rights. Except as expressly provided for in this Precedent Agreement, nothing herein expressed or implied is intended or shall be construed to confer upon or give to any person not a Party hereto any rights, remedies or obligations under or by reason of this Precedent Agreement.
17. Joint Efforts: No Presumptions. Each and every provision of this Precedent Agreement shall be considered as prepared through the joint efforts of the Parties and shall not be construed against either Party as a result of the preparation or drafting thereof. It is expressly agreed that no consideration shall be given or presumption made on the basis of who drafted this Precedent Agreement or any specific provision hereof
18. Choice of Law. This Precedent Agreement shall be governed by, construed, interpreted, and performed in accordance with the laws of the State of Connecticut without recourse to any laws governing the conflict of laws.
19. Notice. Any notice and/or request provided for in this Agreement or any notice either Party may desire to give to the other shall be transmitted in writing (overnight delivery, U.S. Mail, or electronic mail) such that it is received before (TBD) p.m. time on the due date.

Transporter:

Shipper:

Notice is effective as of the date of confirmed receipt, or, in the absence of confirmed receipt, as of the date actually received.

20. Defined Terms. When used in this Precedent Agreement, and unless otherwise defined herein, capitalized terms shall have the meanings set forth in Transporter's FERC Gas Tariff on file with the FERC, as amended from time to time.
21. Waivers. The waiver by either Party of a breach or violation of any provision of this Precedent Agreement will not operate as or be construed to be a waiver of any subsequent breach or violation hereof.
22. Counterparts. This Precedent Agreement may be executed in any number of counterparts, each of which will be an original, but such counterparts together will constitute one and the same instrument.
23. Headings. The headings contained in this Precedent Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Precedent Agreement.
24. Representations and Warranties. Each Party represents and warrants to each other as follows:
- (i) Ability to execute and perform this Precedent Agreement.
 - (ii) This Precedent Agreement has been duly executed and delivered by such Party.
25. Confidentiality and Disclosures.
- (a) The substance and terms of this Precedent Agreement are confidential. Either Party may disclose the substance and terms of this Precedent Agreement to its or its affiliate's directors, officers, employees, representatives, agents,

consultants, attorneys or auditors (“Representatives”) who have a need to know the substance and terms of this Precedent Agreement. Transporter and Shipper agree not to disclose or communicate, and will cause their respective Representatives not to disclose or communicate, the substance or terms of this Precedent Agreement to any other person, entity, firm, or corporation without the prior written consent of the other Party, provided that either Party may disclose the substance or terms of this Precedent Agreement as required by law, order, rule or regulation of any duly constituted governmental body or official authority having jurisdiction, subject to the condition that the disclosing Party first give the other Party five TBD business days’ notice of same or as much notice as possible under the circumstances, so that a protective order or other protective arrangements may be sought. Notwithstanding the foregoing, the Parties acknowledge that (A) Transporter may, in its sole discretion, exercised reasonably, (i) file a copy of this Precedent Agreement with the FERC under seal in connection with the FERC certificate application, (ii) place on public file with the FERC a description of the terms of any negotiated rate prior to the commencement of firm transportation service under the FTSA, and (iii) use the terms and conditions of this Precedent Agreement (excluding any information proprietary to Shipper) in Transporter’s preparation of the pro forma precedent agreement for other Shippers under the Project, and (B) Shipper, in its sole discretion, may provide Project information, including a copy of this Precedent Agreement, to the Connecticut Department of Energy and Environmental Protection and the Connecticut Public Utility Regulatory Authority; provided

Transporter or Shipper will request confidential treatment for any such filing or written disclosure of confidential information. Such filings will not constitute a breach of this confidentiality provision and will not require compliance with the foregoing five TBD day notice provision.

[signature page follows]

26. Execution of Agreement. This Agreement may be executed by the Parties in separate counterparts, each of which when so executed and delivered will be an original, but all such counterparts will together constitute but one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the date first hereinabove written.

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Attachment A-1
Form of Rate Schedule _____
Firm Transportation Service Agreement

(To be attached)

Attachment A-2 Negotiated Rate Agreement

(To include critical provisions and representations related to rate and other negotiated anchor shipper clauses such as Most Favored Nation (“MFN”), which is intended to provide anchor shipper with longer term economic and service rights protection and benefits)

STATEMENT OF NEGOTIATED RATES (Footnotes)

Shipper Name: [SHIPPER]

FTSA: [INSERT CONTRACT NUMBER]

Term of Negotiated Rate:

Rate Schedule:

MDQ / Dth on the Service Commencement Date

Reservation Rate: Shipper shall pay a negotiated reservation rate of \$[____] per Dth, per month of MDQ.

Commodity Charge:

Primary Receipt Point(s):

Primary Delivery Points:

Recourse Rate(s): The Recourse Rate(s) applicable to this service is the applicable maximum rate(s) stated on Transporter's Statement of Rates for Rate Schedule _____ at the applicable time.

FOOTNOTES:

1/ This negotiated rate complies with Transporter's FERC Gas Tariff.

2/ This Negotiated Rate shall apply only to transportation service under this Contract No. [INSERT CONTRACT NUMBER], up to Shipper's specified MDQ, Primary Receipt Point and Primary Delivery Point designated herein, and any secondary receipt and delivery points available under Rate Schedule ____.

3/ Construction cost caps - Bidders must submit how costs will be managed to ensure the best possible rate is achieved. A rate cap is required and a proposal to address construction cost under- and over-runs if construction of facilities are necessary.

4/ Notice Provisions - Proposals should include details on applicable notice provisions

5/ Transporter and Shipper agree that Contract No. [INSERT CONTRACT NUMBER] is a ROFR Agreement.

6/ Shipper shall pay a commodity charge which shall be (TBD).

7/ Renewal rates are described: Bidders should provide a description of renewal rate options at the end of the primary term.

8/ Most Favored Nations (MFN)

Designed and included to protect anchor shippers' economic position, in the event future projects are constructed and/or capacity is sold using the Projects' assets and resulting in a lower rate than the negotiated rate paid by anchor shippers.

1. Identifies applicable project capacity, length of time such MFN is in effect, mechanism by which projects are compared and the resulting reduction in anchor shippers' Negotiated Rate, if a subsequent project is determined to render a lower rate.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the date first hereinabove written.

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

EXHIBIT B

Certification

Exhibit B

Certification

A proposal will be considered incomplete unless all required signatures are provided.

The undersigned certifies that they are an authorized officer or other authorized representative of the Bidder, and further certifies that: (1) the Bidder has reviewed this RFP and all attachments and has investigated and informed itself with respect to all matters pertinent to this RFP and its proposal; (2) the Bidder's proposal is submitted in compliance with all applicable federal, state and local laws and regulations, including antitrust and anti-corruption laws; and (3) the Bidder is bidding independently and has no knowledge of non-public information associated with a proposal being submitted by another party in response to this RFP other than: (a) a response submitted (i) by an affiliate of Bidder or (ii) for a project where Bidder is also a project proponent or participant, which in each case must be disclosed in writing to the Evaluation Team with each such Bidder's or affiliated Bidder's proposal; or (b) a submission of multiple bids by the same Bidder; (4) the Bidder has no knowledge of any non-public information associated with the development of this RFP; and (5) the Bidder's proposal has not been developed utilizing knowledge of any non-public information associated with the development of this RFP.

The undersigned further certifies that the prices, terms and conditions of the Bidder's proposal are valid and shall remain open for at least 270 days from the submission date.

The undersigned further certifies that they have personally examined and is familiar with the information submitted in this proposal and all appendices thereto, and based on reasonable investigation, including inquiry of the individuals responsible for obtaining the information, the submitted information is true, accurate and complete to the best of the undersigned's knowledge and belief.

The undersigned understands that a false statement or failure to disclose material information in the submitted proposal may be punishable as a criminal offense under applicable law. The undersigned further certifies that that this proposal is on complete and accurate forms as provided without alteration of the text.

Applicant or Applicant's Authorized Representative

Print or Type Name

Project Title(s) as Submitted to the Department

Title

Date Signed

EXHIBIT C

**Limited Consent to Disclosure of
Confidential Business Information**

EXHIBIT C

Limited Consent to Disclosure of Confidential Business Information

By signing below, the undersigned ("Applicant") acknowledges and authorizes Eversource Energy and The United Illuminating Company ("EDCs") and Levitan & Associates, Inc. ("Department's Consultant") to access the entire unredacted proposal, including all attachments and any material deemed "Confidential." **A proposal will be considered incomplete unless all required signatures are provided.** The Applicant further acknowledges that it will send the entire unredacted proposals directly to the EDCs and the Department's Consultant as outlined in Section C.2. of this RFP. This Limited Consent should not be construed as any determination about the Bidder's project.

Applicant acknowledges and agrees that the role of the EDCs and the Department's Consultant is consultative only, and neither the EDCs nor the Department's Consultant shall have any liability arising out of or related to the Notice of Request for Proposals, including, without limitation, the process related thereto, any information or documents provided pursuant thereto, or any acts or omissions of any agency or department of the State of Connecticut related thereto.

Applicant

Signature of an Officer of Applicant

Print or Type Name of Officer

Project Title(s) as Submitted to the Department

Title

Date Signed

EXHIBIT D

Environmental Assessment and Permit Acquisition Plan

EXHIBIT D

Environmental Assessment and Permit Acquisition Plan

Exhibit D addresses environmental and other regulatory issues associated with project siting, development and operations. Note that for any project that requires a permit, license, or environmental review over which DEEP has jurisdiction, the selection of a bid pursuant to this RFP in no way confers preferential treatment, prejudices, or otherwise affects the integrity of DEEP's determination with respect to such permit, license, or environmental review. All information provided by bidders in this exhibit should be for the entire project route and not just within Connecticut's geographical jurisdiction.

Bidders are required to provide the following information:

- 1.) Provide a list of all the permits, licenses, and environmental assessments and/or environmental impact statements required. If a Bidder has secured any permit or has applied for a permit, please identify in the response.
 - a. Provide a list of all Federal, state, and municipal permits, licenses, and environmental assessments and/or environmental impact statements required to construct and operate the project.
 - b. Identify the governmental agencies that will issue or approve the required permits, licenses, and environmental assessments and/or environmental impact statements.
- 2.) Provide the anticipated timeline for seeking and receiving the required permits, licenses, and environmental assessments and/or environmental impact statements. Include a project approval assessment that describes, in narrative form, each segment of the process, the required permit or approval, the status of the request or application and the basis for projection of success by the milestone date. All requirements should be included on the project schedule in Section B.
- 3.) Provide a preliminary environmental assessment of the site and project, including both construction and operation, as applicable. In addition, the Bidder should identify environmental impacts associated with the proposed project, any potential impediments to development, and its plan to mitigate such impacts or impediments. The Bidder should also describe whether the project makes positive re-use of a previously disturbed site, including landfills or brownfields. The analysis should address each of the major environmental areas presented below, as applicable to the proposed project:
 - a. Impacts during site development
 - b. Transportation infrastructure

- c. Air quality impacts
 - d. Access to water resources/water quality impacts/drinking water - Describe any impacts to wetlands or wetland soils, drinking water, and how those impacts will be avoided, reduced, and mitigated if necessary, consistent with federal policy on no net loss of wetlands. If an impact is likely to occur, plans to reduce and mitigate must be clearly documented.
 - e. Ecological and natural resources impacts
 - f. Land use impacts - Describe how the project conforms to applicable state plans directing conservation and development and other natural resource plans. Describe any impacts to prime farmland and agricultural soils and the plan to mitigate such impacts or impediments.
 - g. Cultural resources
 - h. Previous site use (e.g., greenfield, brownfield, landfill, industrial, farmland, etc.)
 - i. Noise level impacts
 - j. Aesthetic/visual impacts
 - k. Transmission infrastructure impacts
 - l. Fuel supply access, where applicable
- 4.) Provide documentation identifying the level of public support for the project including letters from public officials, newspaper articles, etc. Include information on specific localized support and/or opposition to the project of which the bidder is aware. Provide copies of any agreements with communities and other constituencies impacted by the project, and a plan for community outreach activities, and discuss the status of that plan.
- 5.) Identify any existing, preliminary or pending claims or litigation, or matters before any federal agency or any state legislature or regulatory agency that might affect the feasibility of the project or the ability to obtain or retain the required permits for the project.

EXHIBIT E

Special Provisions to Natural Gas Base Contract

EXHIBIT E

Special Provisions to Natural Gas Base Contract

- 1) A performing party shall have the option to terminate an Affected Transaction by providing written notice to the non-performing party designating an Early Termination Date on which the Affected Transaction shall terminate. An "Affected Transaction" means a Firm Transaction with a Delivery Period of at least 30 Days in respect of which there has occurred either three consecutive Failure Days or five total Failure Days during the Term of such Firm Transaction. A "Failure Day" means a Day on which the non-performing party has failed to purchase and receive, or sell and deliver, as applicable, an amount equal to or greater than 96% of the Contract Quantity to be purchased and received or sold and delivered on such Day, which failure is not excused because of the non-performance of the performing party or by Force Majeure.
- 2) All Gas delivered by Seller shall meet the pressure, quality, heat content and interchangeability standards provided in the effective tariff at the time of delivery of the respective Receiving Transporter. The unit of quantity measurement for purposes of this Contract shall be one MMBtu dry. Measurement of Gas quantities hereunder shall be in accordance with the established procedures provided in the effective tariff at the time of delivery of the Receiving Transporter.
- 3) Force Majeure shall not include any act, event or circumstances occurring in a country in which LNG is produced or procured or any event that affects an LNG vessel prior to such vessel's departure from the LNG Loading Facilities (including but not limited to Gas liquefaction trains and associated liquefaction facilities, LNG storage and loading facilities, berth and marine facilities and other facilities, at which LNG is loaded onto LNG vessels) or during its voyage to the regasification or storage terminal for eventual delivery to selected delivery points.

EXHIBIT F

Utility Standard Code of Conduct

EXHIBIT F

Utility Standard Code of Conduct

A.) Utility Standard Code of Conduct: Connecticut Light and Power Company d/b/a Eversource Energy and Yankee Gas Services Company d/b/a Eversource Energy

REVISED AND UPDATED UTILITY STANDARD OF CONDUCT (CT)

January 5, 2016

INTRODUCTION

On June 19, 2015 Connecticut Governor Dannel Malloy signed into law Public Act 15-107 “An Act Concerning Affordable and Reliable Energy.” The stated purpose of P.A. 15-107 (the “Act”) is to secure cost-effective resources to provide more reliable electric service for the benefit of Connecticut customers and to meet the state’s energy and environmental goals. Under the Act, the Commissioner of Energy and Environmental Protection (the “Commissioner”), in consultation with the Public Utilities Regulatory Authority’s procurement manager, the Office of Consumer Counsel and the Attorney General, may issue solicitations for long-term, not to exceed twenty (20) years, contracts from providers of certain resources. The Act provides for the Commissioner to select proposals deemed to be in the best interest of electric customers, and direct the electric distribution companies to enter into long term contracts with the resource providers. These resources may include passive demand response measures, electricity, electric capacity, environmental attributes, energy storage, interstate natural gas transportation capacity, liquefied natural gas storage, natural gas storage, or any combination thereof (collectively referred to hereafter as “Energy Resources”). The Connecticut Department of Energy and Environmental Protection (“CT DEEP”) has asked for assistance from the State’s electric and gas distribution companies, including The Connecticut Light and Power Company d/b/a Eversource Energy and Yankee Gas Services Company d/b/a Eversource Energy (referred to collectively herein as the “Utilities”), with respect to the development of the solicitation and evaluation process for Energy Resources (the “Solicitation Process”). It is also recognized that each of the Utilities and their affiliates may participate in the Solicitation Process.

The purpose of this Revised and Updated Utility Standard of Conduct (CT) is to establish uniform protocols and guidelines to govern the participation of the Utilities (and affiliates, as applicable) in the Solicitation Process, and nothing in this document is intended to affect or modify the rights, obligations or duties of the Utilities arising under

the applicable state statutes. This Revised and Updated Utility Standard of Conduct (CT) supplements the Utility Standard of Conduct adopted by the New England States Committee on Electricity and Eversource on June 12, 2014.

The Utilities acknowledge the need for them (and affiliates, as applicable) to follow certain standards of conduct to ensure that the Solicitation Process is conducted in a fair, transparent, and competitive manner, that all laws, regulations, rules and standards and codes of conduct are observed, that all potential bidders are treated equally, that no potential bidder receives preferential treatment or nonpublic information not available to other potential bidders, enabling it to gain an unfair advantage, and that the efforts of the Utilities in the Solicitation Process do not create any actual or apparent conflict of interest. The Utilities seek to avoid any actual or apparent conflict of interest as they (or affiliates) may seek to submit a proposal and participate in the solicitation and evaluation of proposals for which one or more of the Utilities may be directed to enter into one or more contracts with a company that submitted the selected proposal.

GUIDELINES

Team members participating in the Solicitation Process will follow these guidelines and the team members must acknowledge and be bound to follow these guidelines in all circumstances.

- 1.) Each individual designated to participate in the Solicitation Process shall have an identified role in the process. Individuals shall be designated to be on either a Bid Team or an Evaluation Team. No individual shall be a member of both teams, and no individual may change from one team to the other during the Solicitation Process. The Bid Team shall include members who are responsible for the development of proposals in response to Request for Proposals ("RFP"), including any subject matter experts. The Evaluation Team, which will also collaborate with CT DEEP in developing the Solicitation Process consistent with the Act, will assist CT DEEP with the development of RFPs for Energy Resources, the evaluation of proposals, selection of proposed projects, and will be responsible for negotiation of any agreements, and preparing and submitting any related filings with state and/or federal regulatory authorities. Eversource Energy may take further action as it deems necessary or appropriate to avoid an actual or perceived conflict of interest. Throughout the Solicitation Process the Bid Team and the Evaluation Team will each be represented by separate legal counsel. In connection with the development of RFP(s) that will form part of any Solicitation Process, there should be an ongoing assessment regarding any additional measures that could be instituted to avoid any actual or apparent conflict of interest, and whether it would be practicable to implement the same.
- 2.) The Bid Team and the Evaluation Team shall report through and operate within independent companies, business units or departments, to the extent feasible

based on the corporate and organizational structure of the applicable Utility and its parent company.

- 3.) In the event that a Utility (or its affiliate) submits a bid in connection with the Solicitation Process, such Utility (or its affiliate) agrees and commits to include in any bid offered in response to the Solicitation Process a full disclosure of any ownership interest, financial interest, or other potential conflict of interest with respect to that bid.
- 4.) No non-public information regarding the solicitation or evaluation process, a proposal, or the evaluation of any proposal will be communicated between members of a Evaluation Team to any Bid Team, except as provided to all bidders pursuant to the Solicitation Process. Further, no member of the Evaluation Team may consult, advise or communicate directly or indirectly with a member of any Bid Team about the solicitation process, any proposal, or the evaluation of any proposal during the bid preparation, submission or evaluation process, and vice-versa, except through the Solicitation Process.
- 5.) Since personnel are divided into an Evaluation Team and a Bid Team subject to the standards contained in these guidelines, Evaluation Team members shall be permitted to participate in the evaluation of all projects including any proposal submitted by a Utility (or its affiliate).
- 6.) These guidelines shall be communicated to all persons on a Bid Team or Evaluation Team, and those persons shall certify in writing their commitment to honoring the guidelines and to referring any questions regarding compliance with the guidelines to legal counsel designated to assist such Team members or to the Deputy General Counsel & Chief Compliance Officer.
- 7.) One or more legal points of contact shall be designated and provided to the Commissioner or the Commissioner's designee (or such other person as applicable under the circumstances), to work through any unforeseen issues relative to standards of conduct that may arise over the course of the Solicitation Process.
- 8.) These guidelines shall be in place until the earlier of (1) the conclusion of the last regulatory filing or approval proceeding resulting from the applicable Solicitation Process, or (2) the last withdrawal by a Utility or its affiliate from the Solicitation Process.

[SIGNATURE PAGE FOLLOWS]

CERTIFICATE

I certify that I have been given a copy of the Revised and Updated Utility Standard of Conduct (CT), dated January 5, 2016, have read its terms and conditions, and agree to be bound by them. To the extent I have any questions regarding compliance with the Revised and Updated Utility Standard of Conduct (CT), I will consult with Duncan MacKay, Deputy General Counsel & Chief Compliance Officer (at 860-665-3495 or Duncan.MacKay@Eversource.com) or the lawyer assigned to support my team.

Dated: _____

Signed: _____

Printed Name: _____

B.) Utility Standard Code of Conduct: The United Illuminating Company, Connecticut Natural Gas Corporation, and The Southern Connecticut Gas Company

UTILITY STANDARD OF CONDUCT

August 5, 2015

INTRODUCTION

On June 19, 2015 Connecticut Governor Dannel Malloy signed into law Public Act 15-107 “An Act Concerning Affordable and Reliable Energy.” The stated purpose of P.A. 15-107 (the “Act”) is to secure cost-effective resources to provide more reliable electric service for the benefit of Connecticut ratepayers and to meet the state’s energy and environmental goals. Under the Act, The Commissioner of Energy and Environmental Protection (the “Commissioner”), in consultation with the Public Utilities Regulatory Authority’s procurement manager, the Office of Consumer Counsel and the Attorney General, may issue solicitations for long-term, not to exceed twenty years, contracts from providers of certain resources. The Act provides for the Commissioner to select proposals deemed to be in the best interest of electric ratepayers, and direct the electric distribution companies (“EDCs”) to enter into long-term contracts with the resource providers. These resources may include passive demand response measures, electricity, electric capacity, environmental attributes, energy storage, interstate natural gas transportation capacity, liquefied natural gas storage, natural gas storage, or any combination thereof (collectively referred to hereafter as “Energy Resources”). The Connecticut Department of Energy and Environmental Protection (“CT DEEP”) has asked for assistance from the State’s electric and gas distribution companies (including The United Illuminating Company (“UI”), Connecticut Natural Gas Corporation (“CNG”), and The Southern Connecticut Gas Company (“SCG”)) (UI, CNG and SCG are referred to herein as the “Utilities”) with respect to the solicitation and evaluation process for Energy Resources (the “Solicitation Process”). It is also recognized that the each of the Utilities and their affiliates) may also participate in the Solicitation Process.

The purpose of this Utility Standard of Conduct is to establish uniform protocols and guidelines to govern the participation of the Utilities (and affiliates, as applicable) in the Solicitation Process, and nothing in this document is intended to affect or modify the rights, obligations or duties of the Utilities arising under the applicable state statutes.

The Utilities acknowledge the need for them (and affiliates, as applicable) to follow certain standards of conduct to ensure that the Solicitation Process is conducted in a fair, transparent, and competitive manner, that all laws, regulations, rules and standards and codes of conduct are observed, that all potential bidders are treated equally, that no potential bidder receives preferential treatment or non-public information not available to other potential bidders, enabling it to gain an unfair advantage, and that the efforts of

the Utilities in the Solicitation Process do not create any actual or apparent conflict of interest. The Utilities seek to avoid any actual or apparent conflict of interest as they (or affiliates) may seek to submit a proposal and participate in the solicitation and evaluation of proposals for which one or more of the Utilities may be directed to enter into one or more contracts with a company that submitted the selected proposal.

GUIDELINES

Team members participating in the Solicitation Process will follow the proceeding guidelines and those team members must acknowledge and be bound to follow these guidelines in all circumstances.

- 1.) Each individual designated to participate in the Solicitation Process shall have an identified role in the process. Individuals shall be designated to be on either a Bid Team or an Evaluation Team. No individual shall be a member of both teams, and no individual may change from one team to the other during the Solicitation Process. The Bid Team shall include members who are responsible for the development of proposals in response to Request for Proposals ("RFP"), including any subject matter experts. The Evaluation Team, which will also collaboratively participate with CT DEEP in developing the Solicitation Process consistent with the Act, will assist CT DEEP with the development of RFPs for Energy Resources, the evaluation of proposals, selection of proposed projects, and will be responsible for negotiation of any agreements, and preparing and submitting any related filings with state and/or federal regulatory authorities. UIL may take further action as it deems necessary or appropriate to avoid an actual or perceived conflict of interest. Throughout the Solicitation Process the Bid Team and the Evaluation Team will each be represented by separate legal counsel. In connection with the development of RFP(s) that will form part of any Solicitation Process, there should be an ongoing assessment regarding any additional measures that could be instituted to avoid any actual or apparent conflict of interest and whether it would be practicable to do so.
- 2.) The Bid Team and the Evaluation Team shall report through and operate within independent companies, business units or departments, to the extent feasible based on the corporate and organizational structure of the applicable Utility and its parent company.
- 3.) In the event that a Utility (or its affiliate) submits a bid in connection with the Solicitation Process, such Utility (or its affiliate) agrees and commits to include in any bid offered in response to the Solicitation Process a full disclosure of any ownership interest, financial interest, or other potential conflict of interest with respect to that bid.
- 4.) No non-public information regarding the solicitation or evaluation process, a proposal, or the evaluation of any proposal will be communicated from members of its Evaluation Team to any Bid Team, except as provided to all bidders

pursuant to the Solicitation Process. Further, no member of the Evaluation Team may consult, advise or communicate directly or indirectly with a member of any Bid Team about the solicitation process, any proposal, or the evaluation of any proposal during the bid preparation, submission or evaluation process, and vice-versa, except through the Solicitation Process.

- 5.) Since personnel are divided into an Evaluation Team and a Bid Team subject to the standards contained in these guidelines, Evaluation Team members shall be permitted to participate in the evaluation of all projects including any proposal submitted by a Utility (or its affiliate).
- 6.) These guidelines shall be communicated to all persons on a Bid Team or Evaluation Team, and those persons shall certify in writing their commitment to honoring the guidelines and to referring any questions regarding compliance with the guidelines to legal counsel designated to assist such Team members.
- 7.) One or more legal points of contact shall be designated and provided to the Commissioner or the Commissioner's designee (or such other person as applicable under the circumstances), to work through any unforeseen issues relative to standards of conduct that may arise over the course of the Solicitation Process.
- 8.) These guidelines shall be in place until the earlier of (1) the conclusion of the last regulatory filing or approval proceeding resulting from the applicable Solicitation Process, or (2) the last withdrawal by a Utility or its affiliate from the Solicitation Process.

[SIGNATURE PAGE FOLLOWS]

UIL Holdings Corporation

By: _____

Name: _____

Title: _____