

**Request for Proposals
For
Community-Based Renewable Energy
Projects**

**Issued by the
Maine Public Utilities Commission**

September 30, 2015

Request for Proposals for Community-Based Renewable Energy Projects

1. Background

The Maine Public Utilities Commission (Commission) is seeking proposals from suppliers of energy from community-based renewable energy projects.¹ The Commission is requesting proposals from all projects seeking a long-term contract pursuant to the Community-Based Renewable Energy Pilot Program, including projects that are under 1 MW in size.

During its 2009 session, the Maine Legislature enacted An Act to Establish the Community-based Renewable Energy Pilot Program (Act), P.L. 2009, ch. 329. Part A of the Act establishes a community-based renewable energy pilot program, to be administered by the Commission, to encourage sustainable development of community-based renewable energy. 35-A M.R.S.A. § 3602.

The Act creates two options for qualifying community-based renewable energy projects: 1) a long-term contract for the output of the facility with a transmission and distribution (T&D) utility; or 2) a renewable energy credit (REC) multiplier (in which the value of the REC is 150% of the amount of the produced electricity). The Act requires the Commission to conduct a competitive solicitation to select certified projects with an installed generating capacity of 1 MW and larger that desire to enter into a long-term power purchase agreement.

On January 27, 2010, the Commission adopted a rule implementing the legislative directive to arrange for a community-based renewable energy pilot program. *Maine Public Utilities Commission Community-Based Renewable Energy Pilot Program (Chapter 325)*, Docket No. 2009-363, Order Adopting Rule and Statement of Factual and Policy Basis (January 27, 2010). On March 8, 2011, the Commission approved the standard form contract for the Community-Based Renewable Energy Pilot Program, Docket No. 2010-118, Order Approving Community-Based Renewable Pilot Program Standard Contract (March 8, 2011) which is attached as Appendix A. All materials are also available at the Commission's website.

http://www.maine.gov/mpuc/electricity/community_pilot.shtml

¹ A Community Based Renewable Energy Project is a locally owned electricity generating facility that generates electricity from an eligible renewable resource. 35-A M.R.S.A. § 3602(1). Pursuant to Chapter 325 of the Commission's rules, a Community Based Renewable Energy Project may not exceed 10 MW in installed generating capacity.

On June 22, 2015 the Legislature adopted [P.L. 2015 ch. 232, An Act to Amend the Community-based Renewable Energy Program](#) (Amendment). The Amendment makes several changes to the existing Community-based Renewable Energy Program. Among other changes, Section 5 of the Amendment directed the Commission to review all certified program participant projects that have not yet reached commercial operations to determine whether the projects are reasonably likely to achieve commercial operations within a 3-year period and, to the extent there is less capacity remaining than is allowed under Title 35-A, section 3603, subsection 2 after the removal of nonviable projects, to conduct an expedited request for proposals to select community-based renewable energy projects to become program participants and enter into long-term contracts.

The Commission has completed its viability assessments and has identified approximately 21 MW of capacity that is available for contract awards pursuant to this request for proposals.

2. Summary of Key Proposal Attributes and Requirements

2.1 Objectives and Standards

The objective of this solicitation is to implement the State's policy to encourage the sustainable development of community-based renewable energy projects in Maine through the award of long-term power purchase contracts to Community-Based Renewable Energy projects. The projects must generate electricity from an eligible renewable resource, which includes fuel cells; tidal power; solar, wind and geothermal installations; hydroelectric generators; biomass generators fueled by wood, wood waste or landfill gas; and anaerobic digestion of by-products of waste from animals or agricultural crops, food or vegetative material, algae or organic refuse. These projects must be "locally owned electricity generating facilities," which means that 51% or more of the facility must be owned by "qualifying local owners."² The facilities must not

² Qualifying local owner" means a person or entity that is:

1. An individual who is a resident of the State;
2. A political subdivision of the State, including, but not limited to, a county, municipality, quasi-municipal corporation or district as defined in Title 30-A, section 1, public or private institution of higher education, regional council of governments or any other local or regional governmental organization, including, but not limited to, a board, commission or association;
3. A department, agency or instrumentality of the State;
4. A federally recognized Indian tribe located in the State;
5. A nonprofit corporation, organized under the laws of the State, including a unit owners association organized under Title 33, section 1603-101; or

exceed 10 MW and must have either received Commission certification as a community-based renewable energy project or submit a petition for certification as part of this solicitation.

Acceptance of proposals will be determined by the Commission consistent with applicable laws and rules, the provisions of this RFP, and the Commission's statutory public interest obligations. The Commission may accept one or more of the proposals or none of the proposals based on its assessment of whether proposals meet the requirements of this RFP.

In accordance with the Amendment, the Commission will select projects that provide the most benefit to ratepayers and that have contract pricing levels below \$0.10 per kilowatt hour within each contract year. In addition, the Commission will select proposals: that are either certified pursuant to section 4 of Chapter 325 or meet the requirements for certification; satisfy the requirements of this RFP as set out in Section 4; and, for projects of 1 MW or larger, meet the cost containment provisions of Section 2.4. In the event that otherwise qualifying proposals, in the aggregate, exceed the available program capacity limit, the Commission will select proposals that provide the lowest net cost to ratepayers over the term of the proposed contract.

As required by the Amendment, the Commission will complete its evaluation of proposals and accept or reject proposals no later than December 31, 2015.

2.2 Form of Product

Bidders may submit proposals for the sale to the T&D utility of energy only. The Project will retain capacity and renewable energy credits.

2.3 Contract

The RFP includes a standard form contract template (Appendix A). This template is intended to establish the generally applicable terms and conditions for the long-term contracts considered in this RFP.

The T&D utilities (Central Maine Power or Emera Maine) will be the contractual counterparties to winning bidder(s). There will be one T&D utility counterparty per contract.

6. A business corporation, organized under the laws of the State, at least 51% of which is owned by one or more residents of the State.
Chapter 325 – Community-Based Renewable Energy Pilot Program, §2(K)

This RFP requires proposals from Projects that are 1 MW and larger to include full cost disclosure and expected revenue from products not sold by the utility (e.g., RECs) to ensure that the bid price is not above project costs as required by the Act and that the project does not over-recover its costs. Proposals from Projects that are smaller than 1 MW are not required to include project cost information.

2.4 Cost Containment

The average price per kilowatt-hour within each contract year shall not exceed 10 cents. For projects of 1 MW and larger, the cost of the contract will not exceed the cost of the project plus a reasonable rate of return on investment as determined by the Commission. In considering the cost containment requirement, the Commission will take into account revenue the program participant will likely receive from the sale of capacity or renewable energy credits.

2.5 Contract Term

A program participant may choose the contract term up to a maximum term of 20 years. A chosen contract term may not result in a violation of the cost containment provision as described in Section 2.4.

3. RFP Process

3.1 Overview of Process; Schedule; Evaluation

Proposals are due on or before November 6, 2015.

Instructions for submitting proposals are available on the Commission website at

http://www.maine.gov/mpuc/electricity/community_pilot.shtml

The Commission staff will review all proposals, and may ask for supplemental and/or clarifying information from bidders.

The Commission reserves the right to revise, suspend, or terminate the RFP at its sole discretion. In such event, the Commission will inform all bidders as soon as reasonably possible.

3.2 RFP Documents and Information; Contact Persons

The RFP and all related documents and information are available from the RFP Website at http://www.maine.gov/mpuc/electricity/community_pilot.shtml

Any changes to the RFP or related documents, and any supplemental RFP information and data, will be posted to the RFP website. It is the bidders' responsibility to obtain these updates and additions.

The RFP Contact Person is:

Christine Cook
Maine Public Utilities Commission
christine.r.cook@maine.gov
207-287-1392 (Tel)
18 State House Station
Augusta, ME 04333

Bidders may submit questions or request additional information by contacting the RFP Contact Person. To the extent bidder inquiries elicit generally applicable information or corrections/clarifications to existing information, such information will be posted to the RFP Website. Bidder questions, information requests and the associated responses will not otherwise be made generally available.

The Commission will endeavor to respond to all questions and information requests, but is under no obligation to do so.

4. Proposal Content Requirements

4.1 Proposal Information

Proposals shall, at a minimum, address the following:

- a. Project description
- b. the proposed pricing terms;
- c. customer prices on a cents per-kilowatt-hour basis, not to exceed 10 cents per kilowatt;
- d. for Projects of 1 MW or larger, full project cost disclosure;
- e. for Projects of 1 MW or larger, expected revenue sources in addition to the long-term contract;
- f. Commission order certifying the project as a community-based renewable energy project pursuant to Section 4 of Chapter 325 (if certified) or petition for certification.

4.2 Additional Information

In addition, proposals should include information that will allow the Commission to make a determination as to whether the Project is reasonably

likely to reach commercial operations prior to December 31, 2018. Specifically, proposals should include current status information and supporting documentation in the following areas:

- a. Engineering and site analysis, equipment acquisition
- b. Approvals and Permitting
- c. Utility Interconnection
- d. Project Financing and Investors
- e. Other issues and additional information

5. Other RFP Provisions

5.1 Proposals

Proposals must be submitted in accordance with this RFP or as otherwise specified by the Commission. The Commission reserves the right to seek clarification and request additional information, documentation and other material related to the proposals. Failure to provide any such items within the timeframes requested may result in disqualification.

5.2 Proprietary Information

A bidder may designate information included in its proposal as proprietary or confidential information. The Commission will take every reasonable step, consistent with law, to protect information that is clearly identified as proprietary or confidential on the page on which it appears. In making its determination, the Commission may consult with other relevant entities or individuals, which may include, but are not limited to, Maine's transmission and distribution utilities, the Office of the Public Advocate, and/or consultants to the Commission. Protected information may be made available to these entities or individuals, subject to a protective order. The proposal of the winning bidder and associated prices will ultimately become public; however, such information may be withheld for a period of time at the request of the bidder.

5.3 Proposal Costs

All costs associated with developing and submitting a proposal in response to this RFP and providing oral or written clarification of its contents are borne by the bidder.

5.4 Rights of the Commission

The Commission may accept or reject any proposal, or it may reject all proposals, based on its assessment of the proposal including but not limited to whether a proposal meets the requirements of the RFP, satisfies the applicable

statutory policies and objectives of the Act, is within the contracting authority of the Commission, and conforms with generally accepted business practices. The Act specifies that the Commission is not required to arrange for a green power offer in the event it receives no bids or determines the bids are inadequate or unacceptable. 35-A M.R.S.A. §g3212-A(1)(E).

The Commission reserves the right to withdraw or modify the RFP at any time, to negotiate with bidders and to solicit additional and/or modified proposals.

The type(s) and amounts of capacity, energy and/or RECs awarded pursuant to this RFP will be determined by the Commission consistent with applicable laws and rules, the provisions of this RFP and the Commission's statutory public interest obligations.

The Commission shall not be responsible or liable in any manner for risks, costs, expenses, or other damages incurred by any bidder or other entity involved, directly or indirectly, with this RFP.

5.5 State Held Harmless

The State of Maine, its officers, agents, and employees, including the Maine Public Utilities Commission, Commissioners and the employees or agents of the Maine Public Utilities Commission shall be held harmless from any and all claims, costs, expenses, injuries, liabilities, losses and damages of every kind and description resulting from or arising out of this RFP, the designation of winning bidders or the performance of contract obligations as contemplated by this RFP.

5.6 Warranty

The information contained in the RFP and provided subsequently is prepared to assist bidders and does not purport to contain all of the information that may be relevant to bidders. The Commission makes no representation or warranty, expressed or implied, as to the accuracy or completeness of the information. The Commission, its staff and its agents shall not have any liability for any representations expressed or implied, or any omissions from, the RFP or information obtained by bidders from the Commission, its staff, its agents or any other source.

**COMMUNITY-BASED RENEWABLE ENERGY PROJECT
POWER PURCHASE AGREEMENT**

This POWER PURCHASE AGREEMENT (“Agreement”) is dated as of the _____ day of _____, 20__ by and between _____, a Maine corporation and transmission and distribution utility ("T&D"), and _____ ("Producer") located at _____, Maine.

WHEREAS, Section 3604 of Title 35-A of the Maine Revised Statutes authorizes the Maine Public Utilities Commission (“Commission”) to direct investor-owned transmission and distribution utilities to enter into long-term contracts with community-based renewable energy pilot program participants for the purchase of Energy, Capacity Resources or Renewable Energy Credits as agents for their customers; and

WHEREAS, pursuant to Section 3604 of Title 35-A of the Maine Revised Statutes and Chapter 325 of the Commission’s Rules and Regulations, the Commission has conducted a solicitation for community-based renewable energy projects; and

WHEREAS, the Commission has evaluated the proposal of the Producer and has selected Producer to enter into a long-term contract with T&D pursuant to the terms and conditions set forth herein; and

WHEREAS, pursuant to Section 3603 of Title 35-A of the Maine Revised Statutes and Chapter 325 of the Commission’s Rules and Regulations, the Commission has certified the Project as a Community-Based Renewable Energy Project; and

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

ARTICLE 1

DEFINITIONS

1.1 Definitions.

As used herein, the following terms have the following meanings:

“Business Day” means any day except a Saturday, Sunday, a Federal Reserve Bank holiday, a holiday recognized by the State of Maine or a holiday as defined by NERC. A Business Day shall open at 8:00 a.m. and close at 4:00 p.m. local time for the relevant Party’s principal place of business. The relevant Party, in each instance unless otherwise specified, shall be the Party from whom the notice, payment or delivery is being sent and by whom the notice or payment or delivery is to be received.

“Capacity” means the capacity value of the Project as determined by the ISO-NE or the NMISA.

“Capacity Sales Charge” shall have the meaning specified in Section 3.4 hereof.

“Community-Based Renewable Energy Project” means a locally owned electricity generating Project that generates electricity from an eligible renewable resource.

"Commission" means the Maine Public Utilities Commission, and any successor organization.

“Contract Energy Price” shall have the meaning specified in Section 3.4 hereof.

“Contract Sales Charge” means the monthly amount to be paid by T&D to Producer, which shall equal the sum of the Capacity Sales Charge, the Energy Sales Charge, and the RECs Sales Charge.

“Contract Quantity of Capacity” shall have the meaning specified in Section 3.4 hereof.

“Contract Quantity of Energy” shall have the meaning specified in Section 3.3 hereof.

“Contract Quantity of RECs” shall have the meaning specified in Section 3.5 hereof.

"Delivery Point" shall have the meaning specified in Attachment A hereof.

"Effective Date" means that date when all of the conditions specified in Article 2 are satisfied or waived by the Party for whose benefit such condition exists.

"Energy" means power produced in the form of electricity, measured in kilowatt-hours, which is produced by the Project and delivered by Producer to the T&D.

"Energy Sales Charge" shall have the meaning specified in Section 3.3 hereof.

"RECs Sales Charge" shall have the meaning specified in Section 3.5 hereof.

"FERC" means the Federal Energy Regulatory Commission, and any successor organization.

"Good Engineering and Operating Practices" means any of the practices, methods and activities adopted by a significant portion of the North America electric utility industry as good practices applicable to the design, building, and operation of generating facilities of similar type, size and capacity or any of the practices, methods or activities that, in the exercise of skill, diligence, prudence, foresight and reasonable judgment by a prudent generator of electricity in light of the facts known at the time the decision was made, reasonably could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety, expedition and laws and regulations.

"In-Service Date" means the date on which the Project is operating and is in compliance with the applicable Interconnection Agreement and is able to produce and deliver Energy to T&D pursuant to the terms of this Agreement.

"Interconnection Agreement" means the Interconnection Agreement executed between Producer and T&D and attached hereto as Attachment B.

"ISO-NE" means ISO New England Inc. or any successor entity.

"ISO-NE Market Rules, Manuals and Operating Procedures" means Section III of the ISO-NE Tariff and its implementing Manuals and Operating

Procedures adopted by ISO-NE to govern the operation of the ISO-NE markets for energy, reserves and capability, as amended from time to time.

“ISO-NE Tariff” means the ISO New England Inc. Transmission, Markets and Services Tariff, FERC Electric Tariff No. 3, effective February 1, 2006, as may be amended from time to time.

“NERC” means North American Electric Reliability Council or any successor entity.

“NMISA” means the Northern Maine Independent System Administrator or any successor entity.

“Party” means either T&D or Producer and “Parties” means both of T&D and Producer.

“Project” means the Community Based Renewable Energy Project described in Attachment A.

"Producer" means _____ and its permitted successors and assigns.

“Regulatory Approval” means the receipt of any federal, state or local permit, license or other assent of any governmental body, where such assent is required for lawful construction and/or operation of the Project and includes certification of the Project by the Commission pursuant to Chapter 325 of the Commission’s Rules as a Community-Based Renewable Energy Project.

“REC” or “Renewable Energy Credits” means the electronic certificates as defined in Rule 2.1 of the NEPOOL-GIS Operating Rules which are derived from a generator in NEPOOL that has Renewable Portfolio Standard Eligibility.

"Rules" are such Rules and Regulations promulgated by the Commission as shall be in effect from time to time. References in this Agreement to particular provisions of the Rules shall be construed to refer to analogous provisions of any succeeding set of Rules promulgated by the Commission, notwithstanding that such provisions may be designated differently.

“Station Service” is all Electricity used in connection with the operation and maintenance of the Project and includes, without limitation, energy consumed by boiler auxiliaries such as fuel preparation and handling equipment, boiler feed pumps and fans, turbine-generator auxiliaries such as circulating water pumps for condenser cooling, generator excitation, pollution control equipment, and other auxiliary systems used in conjunction with the operation of the Project.

"T&D" means _____ and its permitted successors and assigns.

"Term" shall have the meaning specified in Section 2.5 hereof.

ARTICLE 2 CONDITIONS PRECEDENT, IN-SERVICE DATE AND TERM

2.1 Conditions on Obligations of T&D and the Producer.

The obligations of T&D and the Producer under this Agreement and the designation of the In-Service Date for the commencement of this Agreement are subject to the fulfillment and satisfaction of each of the following conditions precedent, any one or more of which may only be waived in writing, in whole or in part, by the Party for whose benefit such condition exists. As used in this Agreement, the “Party for whose benefit a condition exists” means the Party whose obligation is contingent upon the occurrence of that condition.

2.1.1 Conditions on Obligations of T&D.

(a) All representations and warranties of Producer contained in this Agreement shall be true and correct in all material respects as of the date when made and as of the In-Service Date as though such representations and warranties had been made or given on such date.

(b) There shall not be any litigation or proceeding pending that restrains, prohibits or prevents or seeks to restrain, prohibit or prevent the Parties (or either Party) from consummating the transactions contemplated by this Agreement.

(c) All Producer required Regulatory Approvals shall have been received and are final and in full force and effect pursuant to a final, non-appealable order, which approvals shall not have materially modified the express terms and conditions of this Agreement.

2.1.2 Conditions on Obligations of Producer.

(a) All representations and warranties of T&D contained in this Agreement shall be true and correct in all material respects as of the date when made and at and as of the In-Service Date as though such representations and warranties had been made or given on such.

(b) There shall not be any litigation or proceeding pending that restrains, prohibits or prevents or seeks to restrain, prohibit or prevent the Parties (or either Party) from consummating the transactions contemplated by this Agreement.

(c) All T&D required Regulatory Approvals shall have been received by T&D and be final and in full force and effect pursuant to a final, non-appealable order, which approvals shall not have materially modified the express terms and conditions of this Agreement.

2.2 Satisfaction of Conditions.

Each Party agrees to cooperate in good faith with the other Party and shall take all practicable actions and devote resources reasonably necessary to obtain satisfaction of the conditions set forth in Section 2.1 as soon as reasonably possible.

2.3 Failure to Satisfy Conditions.

In the event that conditions set forth in Section 2.1.1 (Conditions on Obligations of T&D) or Section 2.1.2 (Conditions on Obligations of Producer) are not satisfied or waived on or before three (3) years from the date of this Agreement, then either Party, at its option, may terminate this Agreement by delivering a notice of termination to the other Party. Notice of termination for failure of a condition must be in writing and issued prior to the date when the condition is belatedly satisfied or waived by the Party for whose benefit such condition exists, and shall identify in reasonable detail the condition(s) which have not been satisfied. Upon any termination of this Agreement in accordance with this Section 2.3, neither Party shall have any obligation to the other under this Agreement.

2.4 Termination

This Agreement shall terminate in the event that the In-Service Date has not occurred on or before three (3) years from the date of this Agreement. Upon any termination of this Agreement in accordance with this Section 2.4, neither Party shall have any obligation to the other under this Agreement.

2.5 Term.

Unless earlier terminated in accordance with Section 2.3 or Section 2.4 or as otherwise provided in Article 7, this Agreement shall remain in effect from the date of this Agreement through the termination of the Delivery Period as provided in Section 3.2.

ARTICLE 3
TERMS OF TRANSACTION

3.1 Scope.

This Agreement enables Producer to sell and deliver to T&D and T&D to purchase and receive from Producer the Contract Quantity of Energy, **[SELECT IF CAPACITY AND/OR RECS ARE ALSO INCLUDED: the Contract Quantity of Capacity, and/or the Contract Quantity of RECs]** from the Project subject to the terms of this Agreement. Subject to the terms of this Agreement, during the Delivery Period Producer shall sell and deliver, or cause to be delivered, and T&D shall purchase and receive, or cause to be received, at the Delivery Point the Contract Quantity of Energy and T&D shall pay Producer the Contract Energy Price pursuant to the terms and conditions of this Agreement.

3.2 Delivery Period.

The term of deliveries under this Agreement shall commence on the In-Service Date and shall terminate _____ years from that date (the "Delivery Period").

3.3 Energy.

3.3.1 Contract Quantity of Energy

The Contract Quantity of Energy is _____ delivered to the Delivery Point in each hour as determined in accordance with ISO-NE Market Rules, Manuals and Operating Procedures [NMISA Equivalent].

3.3.2 Contract Energy Price.

The Contract Energy Price in each hour shall be _____.

3.3.3 Energy Sales Charge.

The Energy Sales Charge means the monthly amount paid by T&D to Producer for Energy provided by Producer and shall equal the Contract

Energy Price multiplied by the Contract Quantity of Energy actually delivered to T&D.

3.3.4 Producer's and T&D's Obligation.

Producer and T&D, respectively, shall be responsible for any costs or charges imposed on or associated with the delivery of the Contract Quantity of Energy, including control area services, inadvertent Energy flows, emission allowances and environmental charges, transmission losses and loss charges relating to the transmission of the Contract Quantity of Energy (i) up to the Delivery Point in the case of Producer and (ii) at and from the Delivery Point in the case of T&D.

3.3.5 Transmission and Scheduling.

Producer shall arrange and be responsible for any necessary transmission service to deliver the Contract Quantity of Energy to the Delivery Point. T&D shall arrange and be responsible for transmission service at and from the Delivery Point.

3.3.6 Title, Risk of Loss.

As between the Parties, Producer shall be deemed to be in exclusive control (and responsible for any damages or injury caused thereby) of the Contract Quantity of Energy prior to the Delivery Point and T&D shall be deemed to be in exclusive control (and responsible for any damages or injury caused thereby) of the Contract Quantity of Energy at and from the Delivery Point. Title to and risk of loss related to the Contract Quantity of Energy shall transfer from Producer to T&D at the Delivery Point.

SELECT SECTION 3.4 IF CAPACITY IS INCLUDED

3.4 Capacity.

3.4.1 Contract Quantity of Capacity.

Beginning with the first calendar month of the first capacity commitment period for which the Project is first qualified to supply capacity under ISO-NE [NMISA] Market Rules, Manuals and Operating Procedures and for each month of the remainder of the Term, Producer shall deliver to T&D [insert amount of Capacity]. Producer agrees that after the Project is first qualified to supply the capacity under ISO-NE Market Rules, Manuals and Operating Procedures [NMISA Equivalent], Producer will exercise reasonable diligence to operate and maintain the Project in manner that

will allow the Project to continue to qualify to supply the Contract Quantity of Capacity under ISO-NE Market Rules, Manuals and Operating Procedures [NMISA Equivalent].

3.4.2 Contract Capacity Price

The Contract Capacity Price shall be _____
_____.

3.4.3 Capacity Sales Charge

The Capacity Sales Charge means the monthly amount paid by T&D to Producer for Capacity provided by Producer and shall equal _____.

SELECT SECTION 3.5 IF RECS ARE INCLUDED

3.5 RECs

1.1.1. Contract Quantity of RECs

[SPECIFY RECS INCLUDED]

3.5.2 REC Pricing

[SPECIFY PRICING FOR RECS]

3.5.3 RECs Sales Charge

The RECs Sales Charge means the monthly amount paid by T&D to Producer for RECs and shall equal _____.

3.6 Contract Implementation under ISO-NE Market Rules, Manuals and Operating Procedures [NMISA Equivalent].

Producer shall take all necessary actions under the ISO-NE Market Rules, Manuals and Operating Procedures [NMISA Equivalent] and the ISO-NE Tariff for T&D to receive the right, title and interest in the Contract Quantity of Energy, **[SELECT IF CAPACITY AND/OR RECS ARE ALSO INCLUDED: the contract Quantity of Capacity, and/or the contract Quantity of RECs]**. In particular, the Producer (i) will be solely responsible for completion and submittal of the appropriate ISO-NE Asset Registration for the Project and (ii) shall provide any and all additional information and pay any and all costs as required by the ISO-NE to participate in the Forward Capacity Market as defined under Section 13 of Market Rule 1.

3.7 Station Service

Delivery of Station Service, if any, shall be provided by T&D and shall be priced only in accordance with any applicable tariff, special contract, order or other means approved by the Commission. Generation Service for Station Service, if any, shall be procured by the Producer from a Competitive Electricity Provider pursuant to applicable Rules.

ARTICLE 4 PRICE, BILLING AND PAYMENT

4.1 Sales Charge.

In consideration for the transfer of the **[SELECT: Contract Quantity of Energy and/or Contract Quantity of Capacity and/or Contract Quantity of RECs]** to the T&D hereunder, the T&D shall pay to Producer, each month during the Term hereof, the Contract Sales Charge for **[Energy and/or Capacity and/or RECs]** actually provided by Producer under this Agreement.

4.2 Billing and Payment.

The billing of the Contract Sales Charge shall be by invoice sent to T&D by Producer on or before the fifteenth (15th) day of each month. Each invoice shall set forth the calculation of the Contract Sales Charge for the **[Energy delivered and/or Capacity provided and/or RECs provided]** to T&D through the last day of the immediately preceding month based upon data provided to Producer by ISO-NE. If, during the ISO-NE Data Reconciliation Process, the amount of **[Energy and/or Capacity and/or RECs]** delivered is determined to be different than amount initially billed by Producer in accordance with this Agreement, a revised invoice, reflecting the resettled quantity, will be sent to T&D by Producer within 10 Business Days of the issuance of the ISO-NE invoice containing the final resettled quantities. Notwithstanding the foregoing, errors in

metering or in generation settlement may be corrected, and associated financial adjustments may be made, only within the time period specified in the ISO-NE Market Rules, Manuals and Operating Procedures [NMISA Equivalent] and T&D shall have no obligation to correct any errors outside of this timeframe.

Unless any portion of the invoice is disputed by the T&D, the T&D shall pay the amount stated in any invoice from Producer upon the later of (i) ten (10) days of the date appearing on the invoice or (ii) the 25th day of the month in which the invoice is received by T&D. If T&D disputes the correctness of any invoice, it shall nevertheless pay the undisputed portion of such invoice and shall notify the Producer in writing of the specific basis for the dispute, including all supporting calculations, as soon as practicable after becoming aware of the basis for the dispute.

4.3 Billing Address.

Invoices from Producer to T&D shall be sent by first class mail, courier or overnight delivery service to:

Address:

[INSERT]

Attn:

By thirty (30) days prior written notice to Producer, T&D may change the person or the address to which such invoice will be sent.

4.4 Billing Adjustments.

In the event that billing adjustments are required as the result of meter inaccuracies or any other error, the T&D and the Producer will work together to correct the billing. Notwithstanding the foregoing, errors in metering or in generation settlement may be corrected, and associated financial adjustments may be made, only within the time period specified in the ISO-NE Market Rules, Manuals and Operating Procedures [NMISA Equivalent] and T&D shall have no obligation to correct any errors outside of this timeframe.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of T&D.

T&D hereby represents and warrants to the Producer that:

(a) T&D is a corporation duly organized, validly existing and in good standing under the laws of the State of Maine and is duly qualified to do business in all jurisdictions where such qualification is required or where such qualification is necessary for it to perform its obligations hereunder.

(b) T&D has full power and authority to carry on its business as now being conducted, to enter into this Agreement and perform its obligations hereunder. The execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate action and do not and will not contravene its organizational documents or conflict with, result in a breach of, or entitle T&D (with due notice or lapse of time or both) to terminate, accelerate or declare a default under, any agreement or instrument to which it is a party or by which it is bound. The execution, delivery and performance by T&D of this Agreement will not result in any violation by it of any law, any order of any court or other agency of government, rule or regulation applicable to it. T&D is not a party to, nor subject to or bound by, any judgment, injunction or decree of any court or other governmental entity which may restrict or interfere with the performance of this Agreement by it.

(c) This Agreement is the legal, valid and binding obligation of T&D, enforceable against it in accordance with its terms, except as such enforcement may be subject to bankruptcy, insolvency, reorganization, fraudulent conveyance, avoidance, preferential transfer, moratorium or other similar laws now or hereafter in effect relating to creditors' rights generally and by general principles of equity that may limit the availability of equitable remedies and contractual obligations generally (regardless of whether the issue of enforceability is considered in a proceeding in equity or at law), and the remedy of specific performance and injunctive relief may be subject to the discretion of the court before which any proceeding therefore may be brought.

(d) No consent, waiver, order, approval, authorization or order of, or registration, qualification or filing with, any court or other governmental agency or authority is required for the execution, delivery and performance by T&D of this Agreement and the consummation by T&D of the transactions contemplated hereby, except such consents which have been obtained, and as to such consents the same are final, are in full force and effect, and are not subject to any appeal or further judicial or administrative proceedings. No consent or waiver of any party to any contract to which T&D is a party or by which T&D is bound is required for the execution, delivery and performance by T&D of this Agreement.

(e) There is no action, suit, grievance, arbitration or proceeding (other than proceedings of general applicability to the electrical generation,

transmission and distribution industry and proceedings in the ordinary course of business to obtain authorizations, approvals and permits) pending or, to the knowledge of T&D, threatened against or affecting T&D at law or in equity, before any federal, state, municipal or other governmental court, department, commission, board, arbitrator, bureau, agency or instrumentality which prohibits or impairs T&D's ability to execute and deliver this Agreement or to consummate any of the transactions contemplated hereby.

(f) There are no bankruptcy or insolvency proceedings pending or being contemplated by T&D or, to its knowledge, threatened against T&D.

(g) No Event of Default with respect to T&D has occurred and is continuing and no such event or circumstance would occur as a result of T&D entering into or performing its obligations under this Agreement.

5.2 Representations and Warranties of the Producer.

The Producer hereby represents and warrants to T&D that:

(a) Producer is a _____, duly organized, validly existing and in good standing under the laws of the State of _____ and is qualified to do business in all jurisdictions where such qualification is required or where such qualification is necessary for it to perform its obligations hereunder.

(b) Producer has full power and authority to carry on its business as now being conducted, to enter into this Agreement and perform its obligations hereunder. The execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate or other organizational action and do not and will not contravene its organizational documents or conflict with, result in a breach of, or entitle Producer (with due notice or lapse of time or both) to terminate, accelerate or declare a default under, any agreement or instrument to which it is a party or by which it is bound. The execution, delivery and performance of this Agreement by Producer will not result in any violation by it of any law, any order of any court or other agency of government, rule or regulation applicable to it. Producer is not a party to, nor subject to or bound by, any judgment, injunction or decree of any court or other governmental entity which may restrict or interfere with the performance of this Agreement by it.

(c) This Agreement is the legal, valid and binding obligation of Producer, enforceable against it in accordance with its terms, except as such enforcement may be subject to bankruptcy, insolvency, reorganization, fraudulent conveyance, avoidance, preferential transfer, moratorium or other similar laws

now or hereafter in effect relating to creditors' rights generally and by general principles of equity that may limit the availability of equitable remedies and contractual obligations generally (regardless of whether the issue of enforceability is considered in a proceeding in equity or at law), and the remedy of specific performance and injunctive relief may be subject to the discretion of the court before which any proceeding therefore may be brought.

(d) No consent, waiver, order, approval, authorization or order of, or registration, qualification or filing with, any court or other governmental agency or authority is required for the execution, delivery and performance by Producer of this Agreement and the consummation by Producer of the transactions contemplated hereby, except such consents which have been obtained, and as to such consents the same are final, are in full force and effect, and are not subject to any appeal or further judicial or administrative proceedings. No consent or waiver of any party to any contract to which Producer is a party or by which Producer is bound is required for the execution, delivery and performance by Producer of this Agreement.

(e) There is no action, suit, grievance, arbitration or proceeding (other than proceedings of general applicability to the electrical generation, transmission and distribution industry and proceedings in the ordinary course of business to obtain authorizations, approvals and permits) pending or, to the knowledge of Producer, threatened against or affecting Producer at law or in equity, before any federal, state, municipal or other governmental court, department, commission, board, arbitrator, bureau, agency or instrumentality which prohibits or impairs Producer's ability to execute and deliver this Agreement or to consummate any of the transactions contemplated hereby.

(f) There are no bankruptcy or insolvency proceedings pending or being contemplated by Producer or, to its knowledge, threatened against Producer.

(g) No Event of Default with respect to Producer has occurred and is continuing and no such event or circumstance would occur as a result of Producer entering into or performing its obligations under this Agreement.

ARTICLE 6 CONFIDENTIALITY

6.1 Confidentiality.

(a) The Parties agree not to disclose to any third person and to keep confidential any and all information designated in writing by a Party as confidential, proprietary or trade secret and obtained by either Party from the other relating to this Agreement or the underlying transactions without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed; provided, however, that any information may be disclosed by a receiving Party (i) to the extent required by applicable laws and regulations or by any subpoena or similar legal process so long as the Party whose information is being disclosed is given written notice, if such notice is practicable, at least five (5) days prior to such disclosure; (ii) to the extent the information is in the public domain or the disclosing Party shall have otherwise made the information public or shall have consented in writing prior to any such disclosure; (iii) in connection with the required submission or disclosure of this Agreement or any of its terms to the Commission; or (iv) to the extent the information was known to the receiving Party independent of receipt from the disclosing Party and without violation of this Agreement by the receiving Party.

(b) Notwithstanding the provisions of Section 6.1(a) above, the Parties agree that, upon execution of this Agreement and upon final Commission approval of this Agreement or the entry of a final Commission order authorizing the T&D to enter into this Agreement, this Agreement shall be a public record of the Commission. In addition, the parties agree that T&D may file reports of transactions pursuant to this Agreement with the Commission and with the Federal Energy Regulatory Commission, and the contents of such reports shall not be confidential. In addition, T&D may provide summaries of transactions pursuant to this Agreement to any prospective or actual purchaser of the Energy delivered and/or Capacity provided and/or RECs provided under this Agreement.

(c) Producer shall at all times comply with the ISO-NE Information Policy. To the extent that the ISO-NE Information Policy would impose a stricter confidentiality standard on either Party with regard to any information relating to this Agreement, the Parties agree to comply with that stricter confidentiality standard.

6.2 Equitable Relief.

The Parties agree that remedies at law may be inadequate to protect the disclosing Party in the event of a breach of confidentiality, and the receiving Party hereby, in advance, agrees to the granting of injunctive relief in favor of the disclosing Party to prevent the continuation of any such breach without proof of actual damages. The rights and duties accruing from this provision may not be transferred or assigned by any Party without the prior written consent of the other Party.

ARTICLE 7

EVENTS OF DEFAULT

7.1 Events of Default by the Producer

Any material breach of this Agreement will constitute an event of default by Producer, as will one or more of the following:

(a) Producer fails to deliver any Energy from the Project for a period of six (6) consecutive months at any time after the In-Service Date.

(b) Producer ceases to hold any Regulatory Approval, the failure or cessation of which results in a lack of legal right on the part of Producer to continue to operate the Project as a Community-Based Renewable Energy Project.

(c) Producer fails to cure any default under the Interconnection Agreement within the time allowed for a cure under the Interconnection Agreement.

(d) Any information provided by Producer relative to this Agreement or any information, representations or warranties set out in this Agreement is not true or correct in any material respect when given, or Producer commits any act of fraud in relation to this Agreement or any regulatory proceeding relating to the Project.

(e) By agreement, decree, judgment or order of a court, Producer agrees to be treated as and/or is adjudicated bankrupt or insolvent, or real or personal property of the Project is sequestered or subject to the appointment of any third party and such agreement, decree, judgment, order of appointment continues in effect unrevoked, undischarged and unstayed for a period of thirty (30) days after the entry or implementation thereof.

(f) Producer utilizes electricity, or any source of fuel other than the fuel type specified in Attachment A, for the generation of electricity.

(g) Producer fails or ceases to comply with Good Engineering and Operating Practices.

7.2 Events of Default by T&D.

Any material breach of this Agreement will constitute an event of default by T&D, as will one or more of the following:

(a) T&D fails to pay any amounts due to Producer hereunder and such failure continues for more than five (5) Business Days after written notice.

(b) By agreement, decree, judgment or order of a court, T&D agrees to be treated as and/or is adjudicated bankrupt or insolvent and such agreement or adjudication continues in effect unrevoked, undischarged and unstayed for a period of thirty (30) days after the entry or implementation thereof.

(c) T&D fails to cure any default under the Interconnection Agreement within the time allowed for a cure under the Interconnection Agreement.

ARTICLE 8 TERMINATION

Upon the occurrence of an event of default under Article 7 above, the non-defaulting Party may terminate this Agreement and collect damages from the defaulting Party, subject to the limitation set forth in Article 9. Termination of this Agreement, whether by expiration or otherwise, shall not affect or prejudice any rights or obligations of either Party, including those relating to amounts payable under this Agreement which arose up to and including the date of any termination.

ARTICLE 9 DAMAGES

EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED. LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY, SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED UNLESS EXPRESSLY HEREIN PROVIDED. NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. UNLESS EXPRESSLY HEREIN PROVIDED, AND SUBJECT TO THE PROVISIONS OF ARTICLE 14 (INDEMNIFICATION), IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE.

ARTICLE 10
ACCESS

The Producer shall permit representatives of the T&D to access the Project at all reasonable times during the term of this Agreement.

ARTICLE 11
SECURED LENDER RIGHTS

Producer shall have the right from time to time, at its cost, to enter into one or more Security Agreements upon such terms as it desires, provided that: (i) in the case of a deed of trust, syndication agreement or similar instrument by which the trustee or syndication agent holds security on behalf of, or for the benefit of, other lenders, only the trustee or agent shall be entitled to exercise the rights and remedies under the Security Agreement as the Secured Lender on behalf of the lenders; (ii) T&D shall have no liability whatsoever under any Security Agreement for the payment of the principal sum secured or any interest accrued thereon or any other sum secured thereby or accruing thereunder, and the Secured Lender shall not be entitled to seek any damages against T&D for any or all of the same; and (iii) all rights acquired by a Secured Lender under any Security Agreement shall be subject to all of the provisions of this Agreement, including the restrictions on assignment contained herein.

While a Security Agreement remains outstanding, and provided that T&D has received from Producer prior written notice of the name and address of the Secured Lender, T&D shall provide a copy of any written notice of default or termination to the Secured Lender at such time that such notice is sent to Producer.

Subject to the provisions of this Agreement, a Secured Lender may enforce any Security Agreement and acquire Producer's interest in the Project in any lawful way, subject to (1) receipt of any required Regulatory Approvals, (2) the honoring of all obligations of Producer under this Agreement, and (3) payment of all of T&D's costs and expenses (including attorney fees) incurred with respect to the acquisition and any related events.

T&D, upon request of Producer, may enter into an acknowledgement and agreement, in such standard form as T&D may determine from time to time and subject to any Regulatory Approvals that may be required, with Producer and any Secured Lender for the purpose of implementing the Security Agreement protection provisions contained in this Agreement.

ARTICLE 12

GOVERNMENTAL AUTHORIZATIONS

The Producer shall obtain all Regulatory Approvals, governmental authorizations and permits required for operation of the Project and shall maintain all required Regulatory Approvals, governmental authorizations and permits required for the Project during the term hereof. The Producer shall provide copies of any such approvals, authorizations, permits and licenses to the T&D upon request.

ARTICLE 13 INSURANCE

The Producer will continuously carry, with a financially sound and reputable insurance company, insurance that the Producer determines in its reasonable judgment to be sufficient to cover the risks associated with operation and maintenance of the Project; except that, Producer may be required by T&D to carry liability insurance for its interconnection subject to the restrictions and limitations found in Chapter 324 §12(F) of the Commission's Rules and the Interconnection Agreement.

ARTICLE 14 INDEMNIFICATION

The Parties shall at all times indemnify, defend, and hold the other Party harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third Parties, arising out of or resulting from the indemnified Party's action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

ARTICLE 15 ASSIGNMENT

This Agreement shall not be assigned, pledged or transferred by either party without the written consent of the non-assigning Party, which consent shall not be unreasonably withheld. All assignees, pledgees or transferees shall assume all obligations of the Party assigning the Agreement. If this Agreement is assigned without the written consent of the non-assigning Party, the non-assigning Party may terminate the Agreement.

If the Producer is a closely held corporation, then for the purposes of this Article a sale of all or substantially all of the voting securities of the Producer to a third party shall be deemed an assignment of this Agreement.

If this Agreement is assigned from the Producer to another party, by virtue of any insolvency proceeding, then the assignee, within 90 days of assumption of this Agreement, shall reimburse the T&D for all reasonable expenses incurred by the T&D in conjunction with such insolvency proceeding.

ARTICLE 16
JOINT AND SEVERAL LIABILITY

If Producer is not a single legal entity, then all such entities comprising Producer shall be jointly and severally liable to T&D for all obligations of Producer under this Agreement.

ARTICLE 17
NOTICES

Unless otherwise stated, all notices pertaining to this Agreement shall be in writing and shall be transmitted, by the Party giving notice, via electronic mail, or if such method is unavailable, via facsimile, courier or hand delivery, and addressed to the other Party as follows:

Producer:

[INSERT ADDRESS]

T&D:

[INSERT ADDRESS]

Notice transmitted or delivered as provided herein shall be deemed to have been given and received on the day it is transmitted (if by electronic mail or facsimile) or delivered (if by courier or hand delivery), provided such notice is transmitted or delivered on a Business Day prior to 4:00 p.m. local time in the

place of delivery or receipt. If a notice is transmitted or delivered after 4:00 p.m. local time or such day is not a Business Day, then such notice shall be deemed to have been given and received on the next Business Day. Either Party, by written notice to the other, may change its contact person, electronic mail address, facsimile number or postal address to which notices are to be sent.

ARTICLE 18 FURTHER ASSURANCES

Each Party, from time to time on written request of the other Party, shall perform further acts, including execution of documents, as may reasonably be required in order to fully perform and to more effectively implement and carry out the terms of this Agreement, provided that such acts shall not be inconsistent with this Agreement or any law or Regulatory Approvals pertaining to the Project.

ARTICLE 19 MISCELLANEOUS

(a) Headings. The inclusion of headings in this Agreement is for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

(b) Entire Agreement. This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement.

(c) Waiver or Amendment. Except as expressly provided in this Agreement, no amendment or waiver of any provision of this Agreement shall be binding unless executed in writing by the Party to be bound thereby and approved in writing by the Commission. No waiver or any provision of this Agreement shall constitute a waiver of any other provision nor shall it constitute a continuing waiver or operate as a waiver of, or estoppel with respect to, any subsequent failure to comply, unless otherwise expressly provided.

(d) Commission jurisdiction. The Commission shall have jurisdiction to resolve disputes arising under or in connection with this Agreement, to the fullest extent allowed by law.

(e) Severability. The invalidity of any provision of this Agreement shall not affect the validity or enforceability of any other provision set forth herein.

(f) Any capitalized terms used in this Agreement and not defined herein shall have the meaning set forth in either (i) the applicable Rule or (ii) the ISO-NE Market Rules, Manuals and Operating Procedures [NMISA Equivalent].

To the extent that there is any conflict with respect to a term which is defined in both an applicable Rule and the ISO-NE Market Rules, Manuals and Operating Procedures [NMISA Equivalent], the meaning set forth in the applicable Rule shall control.

ARTICLE 20
APPLICABLE LAWS

This Agreement is made in accordance with the laws of the State of Maine and shall be construed and interpreted in accordance with the laws of Maine, notwithstanding any choice of law or rules that may direct the application of the laws of another jurisdiction.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the Parties hereto have caused this Agreement to be duly executed by their respective duly authorized officers as of the date and year first above written.

UTILITY] [TRANSMISSION AND DISTRIBUTION

By: _____

[PRODUCER]

By: _____

**COMMUNITY BASED RENEWABLE ENERGY PROJECT
PROJECT DESCRIPTION**

Generator Manufacturer: _____

Model: _____

Fuel or Source Type (e.g. hydro, photovoltaic, wind): _____

Installed generating capacity (KW): _____

Location of Project: _____

Delivery Point: _____

Commission certification: Docket Number _____

Date _____

ATTACHMENT B

INTERCONNECTION AGREEMENT