

CAPE AND VINEYARD ELECTRIC COOPERATIVE, INC.
23 H2 White's Path, Suite 2, South Yarmouth, MA 02664

**REQUEST FOR DEVELOPER QUALIFICATIONS
FOR SOLAR PV AND/OR BATTERY STORAGE PROJECTS**

Issued May 10, 2021 pursuant to M.G.L. c. 164, §137
and posted at www.cvecinc.org

1. INTRODUCTION

The Cape & Vineyard Electric Cooperative, Inc. (“CVEC”) is seeking qualifications from developers demonstrating expertise in working closely with public entities, having a proven track record of successfully developing the types of projects described in Section 3, and having the financial and technical capability to develop these projects. The projects will be located primarily in Barnstable and Dukes County.

CVEC is a public cooperative formed under M.G.L. c. 164, §136. CVEC’s purposes include developing and/or owning renewable electric generation facilities and procuring and/or selling long term electric supply or other energy-related goods or services including renewable energy certificate contracts at competitive prices to member communities and consumers within member communities. CVEC’s functions, policies and goals include exploring appropriate options for acquiring the best market rate for electricity supply, promoting and supporting the development of renewable energy resources, providing and enhancing consumer protection by improving quality of service and reliability and utilizing and encouraging conservation and other forms of energy efficiency. More information regarding CVEC is available on its website: www.cvecinc.org.

This request for qualifications (“RFQ”) is being issued as part of CVEC’s competitive procurement program pursuant to M.G.L. c. 164, §137.

CVEC currently has twenty-four members: Barnstable County, Dukes County, the Cape Light Compact JPE, and the Towns of Aquinnah, Barnstable, Bourne, Brewster, Chatham, Chilmark, Dennis, Eastham, Edgartown, Falmouth, Harwich, Oak Bluffs, Orleans, Marion, Mashpee, Nantucket, Provincetown, Sandwich, Tisbury, West Tisbury, and Yarmouth. Other governmental units have participated in CVEC projects in the past and may participate in this procurement.

Since its formation in 2007, CVEC has issued multiple requests for proposals to develop solar photovoltaic (“PV”) projects for its members and participants. In general, CVEC manages and administers the procurement process and plays a role in the long-term management of the projects along with the project host selected developers. CVEC currently has a total of 51 MW of projects developed or under development.

CVEC is using this RFQ process as a means of identifying interested and qualified developers. After choosing pre-qualified developers, CVEC will issue a Request for Proposals to the pre-qualified developers to own, operate and maintain solar PV installations that may or may not include battery storage. CVEC intends to issue the RFP within 45 days of the completion of this RFQ.

CVEC is not obligated to limit its discussions exclusively to developers responding to this RFQ. CVEC may re-advertise the RFQ or simply accept statements of qualifications from other developers for CVEC's consideration. CVEC reserves the right to negotiate with any developer of its choosing, in any manner that best meets CVEC's interests or to reject any or all qualification responses and re-advertise.

2. EXECUTIVE SUMMARY

Objectives: Currently, CVEC intends for the developer to retain ownership of the solar PV and/or solar PV paired with battery energy storage systems and the incentives attributable thereto from participation in the SMART program. However, CVEC desires to procure a project structure that best meets CVEC's and the Host's interests in monetizing available incentive streams derived from either the solar PV or battery energy storage system for the Round 6 Solar PV Project.

Written Developer Questions and Answers: Interested developers may submit questions in writing to CVEC at mmarasco@cvecinc.org on or before Friday, May 21, 2021 at 4 pm. CVEC will post answers to all written questions on its website at www.cvecinc.org on Wednesday, May 26, 2021 by 4 pm EDT.

Information Session: CVEC will conduct an information session by Zoom meeting on Thursday, May 27, 2021 at 11 am EDT. While attendance at this meeting is not a condition for offering qualifications, all interested developers are encouraged to attend. It is CVEC's intent that this meeting will provide the primary means of disseminating information, clarifying this RFQ, and providing and answers to questions. Meeting information will be posted at www.cvecinc.org.

Qualifications Due: Friday, June 18, 2021 by 4 pm EDT

Selection of Qualified Developers: CVEC anticipates notifying developers who submitted RFQ responses on or before July 14, 2021 if they have been selected to participate in the RFP process.

RFP Issuance: CVEC anticipates issuing the RFP on or about Monday, July 19, 2021 and reserves the right to extend the date for approximately 30-60 days.

CVEC Representative: Maria Marasco, Executive Director, is the designated CVEC representative for this RFQ. All contacts and communications regarding this RFQ should be submitted by email to Maria Marasco at mmarasco@cvecinc.org.

3. PROJECT DESCRIPTION/ROUND 6 SOLAR PV PROJECT

General Background: CVEC is seeking one or more qualified entities to develop, construct and operate multiple projects consisting of solar PV ground-mount, roof-mount, and canopy installations, which may or may not include battery storage systems, for approximately 20 projects on public property from 11 or more different governmental entities. The current list of projects is set forth in Appendix A and is collectively referred to in this RFQ as the Round 6 Solar PV Project. Projects may be withdrawn or added prior to issuance of the RFP. CVEC anticipates that the RFP will include a comprehensive project description or prospectus for each individual project containing sufficient information for developers to provide quality RFP responses.

Contract Structure: As presently envisioned, CVEC intends to use three contracts to govern the legal obligations, rights and responsibilities of the developer, CVEC and the host governmental unit (“Host”) as follows (collectively, the “Project Agreements”):

Net Energy Power Purchase Agreement (“PPA”): CVEC and the developer will enter into a 20-year agreement, with the option to extend for up to five years, wherein CVEC will purchase net energy (net metering or SMART alternative on-bill credits) generated from the Project. It is intended that the Project will be eligible for incentives under state and federal programs. In some instances, a Host will prefer to enter into a Stand-alone Lease with the Developer and not enter into a PPA.

Inter-governmental Agreement (“IGA”): The Host and CVEC will enter into an inter-governmental agreement for CVEC to resell the net energy (net metering or SMART alternative on-bill credits) to the Host for a period of 20 years, with the option to extend for up to five years.

Lease Agreement: The Host and the developer will enter into a lease for the governmental property for 20 years, with the option to extend for up to five years (not to exceed the term of the IGA). All leases will contain Options to Purchase.

Developer’s Responsibilities: This section provides a general overview of the anticipated responsibilities of the selected developer. These responsibilities will be further defined in template contracts for the PPA and Lease which will be provided with the RFP and in the Project Agreements once they have been negotiated. All due diligence and development activities will be undertaken solely at the cost of the developer.

The developer will assume the following principal responsibilities related to development and operation of the Round 6 Solar PV Project.

Entitlements and Approvals: The developer will obtain all necessary permits and regulatory approvals for development of the project sites at its sole expense. This includes any required environmental filings, construction permits, and land use approvals.

Financing and Construction: The developer will assume responsibility for financing the equipment and materials for the project development. The developer's financing plan must be approved by CVEC prior to commencement of construction.

Operations and Maintenance: The developer will assume responsibility for operations and maintenance of all solar PV and battery storage systems that comprise the Round 6 Solar PV Project.

Decommissioning: The developer will assume responsibility for decommissioning of all solar PV and battery storage systems that comprise the Round 6 Solar PV Project (unless CVEC or the Host exercises a purchase option for the systems). The developer will be required to provide a decommissioning bond or other form of surety as security for its decommissioning obligations.

Financial Assurance and Security: The developer will be required to provide a parent guaranty or other commercially reasonable financial assurance in order to backstop its financial and technical obligations under the Project Agreements.

4. GENERAL TERMS OF SUBMISSION

CVEC obtained the information contained in this RFQ from sources it deems reliable; however, CVEC makes no guarantees, warranties, or representations, nor expresses or implies any opinion concerning the accuracy or completeness of the information provided. It is furnished solely as an aid to interested developers. Interested developers are responsible for undertaking all necessary investigation and due diligence in preparing their qualification responses to this RFQ.

This RFQ is not a contract or a commitment of any kind by CVEC and does not commit CVEC to begin exclusive negotiations or to pay any costs developers incur in the submission of a response. The submission of a response to this RFQ is an expression of the developer's interest in participating in a public procurement undertaken by CVEC. CVEC, at its sole discretion, reserves the right to accept or reject, in whole or in any part, responses to this RFQ, to request new qualifications, reissue the RFQ, or not to proceed with the Round 6 Solar PV Project or any part thereof.

All qualifications/responses will become the property of CVEC and will become public documents. Upon receipt by CVEC, the qualifications packages submitted by developers including any and all attachments to the response and any reports and investigations prepared by developers will become the property of CVEC. CVEC shall have the right to copy, reproduce, or otherwise dispose of each response received. CVEC shall be free to use as its own, without payment of any kind or liability, therefore, any concept, plan, pro forma, etc. received during the RFQ process.

By submitting a response to this RFQ, the developer agrees that in the event any dispute should arise concerning the responses to this RFQ or the selection of a candidates for further discussion, the sole venue of any resulting action or litigation shall be in the Superior Court of Barnstable

County, and the resulting action or litigation shall be governed by the laws of the Commonwealth of Massachusetts.

5. RESPONSE REQUIREMENTS

Interested developers shall provide the following information, detailing developers' qualifications and experience:

Company Information: Description of the development company, including the name of all firms (if a joint venture is being proposed), and the principals comprising the development, and ultimate parent company, if applicable.

Project Team: Provide an organizational chart for the developer, along with a list of all key team members and their related experience.

Company Experience: Description of developer's experience with public-private partnerships for renewable energy project development and financing, including a list of similar projects with the following information: (i) customer name and location; (ii) brief project description; (iii) role developer's firm played in the project (for example, lead contractor, subcontractor/consultant, financier, owner/operator, etc.); (iv) proposed project time line and actual project time line; (v) familiarity with the Barnstable and Dukes County region, and the additional labor and materials costs that may be incurred due to seasonal and geographic constraints, and (vi) general sources of funding for each project. Developer's experience with public-private partnerships should also include familiarity with contracting constraints that apply to public entities, in particular, legal prohibitions on providing indemnification to private parties and capping developers' liabilities. Developer should acknowledge its familiarity and understanding with these constraints in its response.

Current Portfolio: With respect to developer's current project portfolio: (i) the number of projects and MWs the developer currently owns and operates and the average size of each system; (ii) the number of projects and MWs developer currently owns and operates in Massachusetts; and (iii) the number of projects and MWs the developer currently owns and operates that are with or for governmental entities.

Defaults/Litigation: Please describe: (i) any contract defaults by the developer, principals or its affiliates in the past 10 years; (ii) any bankruptcy filings by the developer, principals or its affiliates in the past 10 years; and (iii) any lawsuits, arbitration, administrative or other legal proceedings against the developer, its principals or affiliates in the last ten years.

Project References: Please provide at least three (3) references from similar projects that developer has recently completed.

Financial Information: Please provide sufficient current information indicating the developer's financial capacity to successfully complete the Round 6 Solar PV Project.

Project Development Plan: Please provide a written narrative description of developer's project development plan for the Round 6 Solar PV Project, including the developer's approach to financing. In addition to the tax-based incentives utilized by developer, the response should describe the various non- tax-based incentive programs that the solar PV and/or solar PV paired with battery energy storage systems will be eligible for and any required technical specifications or configurations for a project's participation in such programs. CVEC intends for the developer to retain ownership of the solar PV and/or solar PV paired with battery energy storage systems and the incentives attributable thereto from participation in the SMART program. However, CVEC desires to procure a project structure that best meets CVEC's and the Host's interests in monetizing available incentive streams for the Round 6 Solar PV Project. Therefore, for each listed incentive other than the SMART program, developers should provide an explanation of the technical specifications and configurations or other requirements from related orders or tariffs (e.g., required actions to secure title to energy and/or capacity) and operational controls necessary to allow CVEC and/or the Hosts to monetize the incentive. Developers should also discuss whether a project's participation in such incentive programs for the benefit of CVEC and/or the Host (or the technical specifications and configurations necessary to participate in such programs) could or would in any way conflict with a project's participation in the SMART program.

Company Profile: Please describe how your company differentiates itself from its competitors, and describe any unique values that you would bring to the projects, CVEC, and Hosts.

6. SELECTION PROCESS

An RFQ advisory committee, which may consist of selected members of CVEC's board and Host representatives, outside legal counsel, and outside consultants, will be appointed by CVEC's Chief Procurement Officer (CPO) to assist her with review of all RFQ responses and references. The Advisory Committee will then make recommendations to the CPO for final selection for developers to advance to the RFP phase.

CVEC will invite developer teams to the RFP phase based on a review and evaluation of each developer team's: (i) experience in planning, financing, developing, managing, and maintaining similar PV or battery energy storage projects; (ii) experience in successfully collaborating with public sector partners to achieve multiple project objectives; (iii) qualifications of members of the development team; (iv) project development plan and the ability of that plan to meet CVEC's objectives as described in this RFQ; (v) overall approach and strategy for executing the Round 6 Solar PV Project that reflects a thoughtful and realistic understanding of the existing economic incentives and market conditions; (vi) financial capacity and financial strength of the developer team to complete the Round 6 Solar PV Project; (vii) economic success of past projects; (viii) timeliness of performance; (ix) past record of financially successful projects; (x) list of past financial institutional investors and extent of participation, and (xi) company profile.

7. SUBMISSION PROCEDURES

Questions: Questions received after Friday, May 21, 2021 after 4 pm EDT will not be considered. Answers to all questions will be posted on CVEC website. Only questions answered

by CVEC in writing will be binding. Oral and other interpretations, clarifications or response instructions will be without legal effect.

Interpretations, clarifications or supplemental instructions: CVEC, at its discretion may issue RFQ addenda, and other interpretations, clarifications or supplemental instructions by posting them on CVEC's website at: www.cvecinc.org .

Number of Copies and Format: Interested developers must submit one electronic version of their qualification responses. Qualification responses must be typewritten, and each page must be numbered.

Proposal Due Date and Labeling: Each response must be delivered to Maria Marasco at mmarasco@cvecinc.org within the time set forth in Section 2 of this RFQ and identified/marked with the subject line "Response to Request for Qualifications." CVEC recommends that you send your materials with a confirmation receipt.

Modification or Withdrawal of Qualifications: A developer may correct, modify or withdraw its original qualifications response on or before the date and time set forth in Section 2. Corrections or modifications must be clearly marked to indicate the contents, with the name and address of the developer. Any late correction or modification to the qualifications packages will not be accepted. A developer who wishes to withdraw its qualifications package must make a request in writing.

APPENDIX

LIST OF ANTICIPATED PROJECTS AS OF 5.1.21

Projects may be withdrawn or deleted prior to the issuance of an RFP.

11 towns/airports, 20 projects.

Note: A project may or may not include battery energy storage system. When the RFP is issued, CVEC intends to provide a comprehensive project prospectus for each project. Each host reserves the right to include or not include a project in the RFP phase.

Barnstable Water Filtration Building

Barnstable Municipal Airport

Chilmark EMS Building

Eastham DPW Carport

Eastham Department of Public Works

Eastham Library

Eastham Town Hall and Fire Station

Eastham Transfer Station

Eastham (North) Well House

Martha's Vineyard Airport-Fire Rescue

Martha's Vineyard Airport Employee Parking

Oak Bluffs Police Station

Oak Bluffs- Town Hall (new construction)

Orleans DPW

Sandwich Active Living Center - New Construction

Tisbury Senior Center

Tisbury Wastewater Treatment Facility

West Tisbury Library

Yarmouth DPW

Yarmouth Fire Station 3