The Connecticut Light and Power Company dba Eversource Energy June 30, 2023

<u>Interim Procurement Plan for the Year 2 Non-Residential Renewable Energy</u> <u>Solutions Program – February Solicitation</u>

Pursuant to Order No. 18 of the Public Utilities Regulatory Authority's ("the "Authority" or "PURA") June 30, 2021, Decision in Docket No. 20-07-01 (the "Decision"), The Connecticut Light and Power Company d/b/a Eversource Energy ("Eversource") hereby submits its Year 2 Procurement Plan for the approval of 124 20-Year Tariff Agreements for the purchase of Energy and Class I Renewable Energy Credits ("RECs") from renewable energy projects in Connecticut. Pursuant to the PURA approved Year 1 Non-Residential Renewable Energy Solutions ("NRES") Program Rules ("Program Rules") and Public Act 19-35, Eversource conducted a solicitation from February 2023 to June 2023 for:

- (i) RECs and Energy from Low Emission Class I renewable projects (0-5000 kW) totaling 0.00 MW in Tariff Agreement commitments; and,
- (ii) RECs and Energy from Zero Emission Class I renewable projects in the following three categories:
 - a. Small Zero Emission RECs and Energy from Class I renewable projects (less than or equal to 200 kW) totaling 12.162 MW in Tariff Agreement commitments; and,
 - b. Medium Zero Emission RECs and Energy from Class I renewable projects (greater than 200 and less than 1000 kW) totaling 13.60 MW in Tariff Agreement commitments; and,
 - c. Large Zero Emission RECs and Energy from Class I renewable projects (greater than or equal to 1000 kW and less than or equal to 5000 kW) totaling 22.103 MW in Tariff Agreement commitments.

This Year 2 NRES Interim Procurement Plan outlines the competitive procurement process and the results of the same for those projects that executed Agreements and provided Performance Assurance in the Year 2 February Request For Proposals ("RFP").

Below is a summary of the capacities available in the Year 2 February RFP:

	Low Emission	Large Zero Emission	Medium Zero Emission	Small Zero Emission	Total
MW Available	4.8	21	15	12	52.8
MW Executed	0	22.103	13.6	12.162	47.87
MW Remaining	4.8	-1.103	1.4	-0.162	

I. The Procurement was Conducted in Compliance with the PURA-Approved Solicitation Plan and the Decision

A. Overview of Procurement Process and Schedule

Eversource issued a joint February RFP with The United Illuminating Company ("UI") for Year 2 Low Emission, Large Zero Emission, Medium Zero Emission, and Small Zero Emission Projects. The Year 2 February RFP was conducted in accordance with the Authority-approved Year 2 Program Rules. Eversource complied with the schedule for the RFP set forth below to the best of our ability. Eversource received a strong response to the Year 2 February NRES RFP with a total of 262 bids received. Many bidders did not ultimately submit bid information that clearly and sufficiently addressed eligibility requirements of the NRES program which required Eversource to contact bidders to confirm or ask for additional information to validate eligibility for an average of 2 issues per bid. Eversource allowed bidders to clarify or supplement information contained in their original bid but did not allow material revisions to bids during the eligibility process. The detailed review of bid information and extensive communication with bidders to clarify or supplement information was necessary for the Company to ensure it was awarding agreements to projects consistent with program rules and statutory requirements. As a result of the extended eligibility process and a pending regulatory motion with direct impact on Bid awards, Eversource was required to delay notification of winning Bidders. Small Zero award notifications were sent out on May 5, 2023. Medium Zero and Low Emission award notifications were sent on May 23, 2023. Large Zero Emission award notifications were sent on June 9, 2023. Eversource notified the NRES distribution list throughout the eligibility process and provided updates on the anticipated date of selection and notification of winning bidders as appropriate, and ultimately complied with the schedule for the RFP set forth below:

TABLE 1 – February RFP Schedule

Action Item	Date	
Release of RFP and Opening of Bid Window for All Project Size Categories	February 1, 2023	
Bidders Conference – Webinar Only	February 7, 2023	
Deadline for Submission of Questions	February 14, 2023	
Bid Forms Due for Medium and Large Zero Emission and Low Emission Categories	March 14, 2023 by 1:00 p.m. (Eastern Prevailing Time "EPT"), at which time the Pricing shall become firm, irrevocable and binding.	
Selection and Notification of Winning Bidders for Medium and Large Zero Emission and Low Emission Categories	On or about April 14, 2023	
Bid Forms Due for Small Zero Emission Category	May 1, 2023	
Tariff Agreement Execution	After Selection and Notification of Winning Bidders. Bidders will have to return partially executed contracts by the date established by the Companies which is expected to be approximately 10 business days.	
Subsequent Rounds of Selection and Notification of Winning Bidders for the Small Zero Emission Category Only	Approximately 5 business days after Tariff Agreement Execution date (date on which executed Tariff Agreement is due to the EDC for each round of selection). After each Tariff Agreement	
	Execution Date, each EDC will reevaluate its available MWs and reallocate to the next project(s) in the queue as necessary and notify selected Bidders accordingly.	
Tariff Agreement(s) Filed with PURA	On or before July 1, 2023	
Commencement of Service	In accordance with Tariff Agreements	

B. Overview of Procurement Results

Eversource received 262 Bids by the deadline of 1:00 PM (Eastern Prevailing Time) on March 14, 2023 for the competitive categories, and the deadline of May 1, 2023 for the Small Zero Emission category. These Bids were comprised of 4 Low Emission Bids, 17 Large Zero Emission Bids, 63 Medium Zero Emission Bids, and 178 Small Zero Emission Bids.

As a result of some selected Bidders not accepting Eversource's Tariff Agreement offer and executing the Agreements, Eversource had capacity remaining in the Year 2 February Low Emission and Medium Zero Emission categories after the selection and notification of winning

bidders. A second round of selection was performed for the Small Zero Emission category to satisfy the requirement of a rolling selection process. In accordance with the RFP¹, Eversource used capacity from the August RFP to select the complete capacity of the next Bid in the small zero emission and large zero emission categories.

In accordance with Sections 4.9.3 and 4.10.3 of the RFP², Eversource will reallocate the remaining capacity in the Medium Zero and Low Emission categories to the respective categories in the August RFP.

Upon completion of the February Procurement, Eversource received Performance Assurance and partially executed Tariff Agreements for 124 Projects which were comprised of the following:

- 0 Low Emission Tariff Agreements for a total capacity of 0.00 MW. After the only round of selection 4.8 MW remained which will be allocated to the August RFP.
- 8 Large Zero Emission Tariff Agreements for total capacity of 22.103 MW. A total of 1.103 MW was taken from the MWs allocated to the August RFP in order to select the entire capacity of the next project in the queue. This resulted in 1.103 MW remaining in the February RFP.
- 19 Medium Zero Emission Tariff Agreements for a total capacity of 13.60 MW. After the only round of selection 1.4 MW remained which will be allocated to the August RFP.
- 97 Small Zero Emission Tariff Agreements for a total capacity of 12.162 MW. A total of .162 MW was taken from the MWs allocated to the August RFP in order to select the entire capacity of the next project in the queue. This resulted in 0.162 MW remaining in the February RFP.

Bid(s) Disqualified:

Between March and May 2023, Eversource performed Bid evaluations to accurately determine Projects eligible for consideration in the NRES Program. Upon completion of its assessment, Eversource determined that twenty-two (22) Bids were not eligible for NRES Program participation based on eligibility criteria established in the Year 2 NRES Program Rules. As explained in our May 5, 2023 Compliance filing in docket 22-08-03, the bids were disqualified for the following reasons: (1) Size to load requirements – systems sized higher than historical

¹ Sections 4.8.3, 4.9.2, and 4.10.2 of the RFP state, "If selecting the last Project in the category's queue would cause the EDC to exceed 60 percent of the category's annual capacity allocation (i.e., the MWs allocated to the February solicitation), the EDC shall accept the full Project capacity, up to but not in excess of the category's total annual capacity cap."

² Sections 4.9.3 and 4.10.3 state, "If either EDC has uncommitted MWs remaining in any of the categories after the single round of selection is completed, such MWs will roll into their respective category for the August RFP."

load; (2) Failure to obtain Customer of Record's signature on the Bid Certification Form and failure to prove site control; (3) Crossover with the LREC/ZREC Program; (4) Compensation structures – Netting Bid behind a revenue meter with an existing Netting Project; (5) Failure to respond to the eligibility email.

Eversource reviewed all bids in accordance with the PURA approved modified program rules and determined that all disqualifications noted above did not present unnecessary barriers to entry, and the disqualifications were not in conflict with the objectives of the program, and therefore were clear violations of program rules which were not rectifiable. Eversource communicated both the reason for disqualification and the supporting language from the program rules to each affected Bidder at the time of disqualification notice.

C. List of Exhibits

Below is a list of exhibits to this Year 2 Non-Residential Renewable Energy Solutions Interim Procurement Plan. The exhibits include information that is responsive to guidance provided by the Authority regarding information needed in connection with the Authority's review and approval of the Tariff Agreements.

Exhibit A: Year 2 NRES Interim Procurement Plan

Exhibit B1: List of bids received and selected

Exhibit B2: (Confidential) List of bids received and selected

Exhibit C: Form of Tariff Agreement executed by all project owners

Exhibit D (Confidential): Partially Executed Tariff Agreements