

Appendix 2-3: Portfolio Considerations (Stage 3)

Requirement Number	RFP Reference	Requirement Description	Our Proposal	Proposal Reference
5	2.4 Stage 3	<p>As stated in Section 83C, the Distribution Companies must select Long-Term Contracts that are cost-effective mechanisms for procuring reliable renewable energy on a long-term basis for the benefit of ratepayers. Proposals for more than 400 MW of Offshore Wind Energy Generation will not be selected unless the Evaluation Team determines that a larger-scaled proposal is both superior to other proposals submitted in response to this RFP and is likely to produce significantly more economic net benefits to ratepayers compared to the alternative of procuring the additional MWs in a future solicitation after taking relevant risks into consideration. The Stage Three evaluation of remaining bids will be based on the Stage Two quantitative and qualitative evaluation criteria and, at their discretion, the following additional factors:</p> <ul style="list-style-type: none"> o Possible portfolio effect; o Overall impact of proposals on the Commonwealth's policy goals, as directed by the DOER, including GWSA goals; o Risks associated with project viability of the proposals; o Any risks to ratepayers that may be associated with projects proposing to recover Offshore Delivery Facilities costs through rates not fully captured in the Stage Two Quantitative and Qualitative evaluation; o A comparison to a reasonable range of data and analyses on expected offshore wind prices, industry costs, and the anticipated cost impact of future technologies; o Ratepayer bill impacts; o Any benefits to customers that may not have been fully captured in the Stage Two evaluation; and, o Any other considerations, as appropriate, to ensure selection of the proposal(s) which provide the greatest impact and value consistent with the stated objectives and requirements of Section 83C, as set forth in this RFP. 	<p>Deepwater Wind has provided Proposals that allow the Commonwealth to balance the policy goal achievements, the declining cost curve off of offshore wind deployment, and allows for a local supply chain, to develop, mature and sustain over the long-term. We have identified what we believe to be the preferred offering but provided enough flexibility with our Alternative Proposals to meet the Commonwealth's preferred approach. we have eliminated risk of stranded costs on ratepayers while providing for the economic expansion of transmission capacity for future solicitations.</p>	Sections 2, 4, 7, 13, 15, and 17 and related Appendices
5	2.4 Stage 3 (cont)	<p>The objective of Stage Three is to select the proposal(s) that provides the greatest impact and value consistent with the stated objectives and requirements of Section 83C, as set forth in this RFP. Generally, the Evaluation Team prefers viable, cost-effective projects with limited risk. However, the Evaluation Team recognizes that any particular project may not be ranked highly with respect to all of these considerations and the extent to which the stated RFP objectives will be satisfied will depend, in large part, on the particulars of the proposals that are submitted.</p> <p>Under Section 83C, if the Distribution Companies are unable to agree on the selection of proposals among themselves, then the DOER in consultation with the Independent Evaluator shall make the final binding determination of the winning bid(s).</p>	<p>Deepwater Wind is pleased to offer our cost effective proposals that simultaneously eliminates risks to the ratepayers.</p>	Totality of our Proposal