



NEW ENGLAND CLEAN POWER LINK

Project Overview

SEPTEMBER 2015



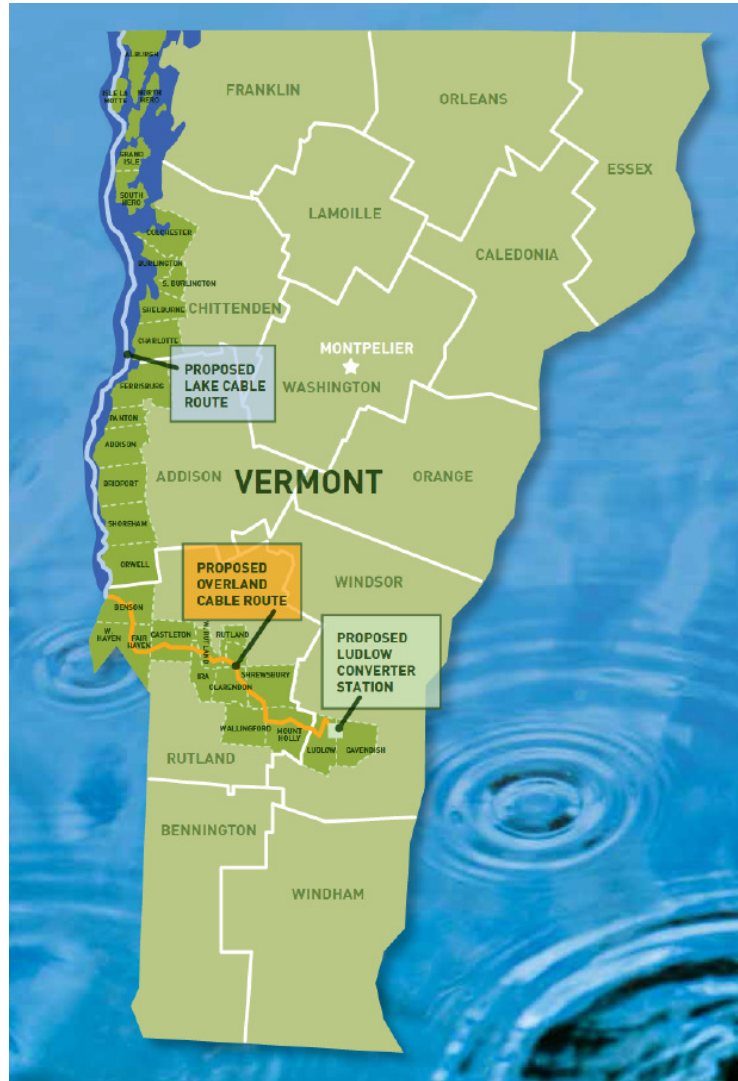
Legal Disclaimer

This Project Overview contains certain forward-looking statements which reflect TDI-NE's beliefs and assumptions based on available information as of the publication date of the Project Overview. Actual events may differ from those predicted in these forward-looking statements and potential customers are advised not to place undue reliance on any forward-looking statements. TDI-NE: (1) does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this Project Overview; (2) expressly disclaims any obligation to revise or update the contents of this Project Overview; (3) shall have no liability resulting from a potential customer's use of the information contained in this Project Overview; and (4) urges potential customers to rely upon their own investigations, due diligence, and analysis in evaluating the New England Clean Power Link.

NECPL PROJECT OVERVIEW

- NECPL PROJECT OVERVIEW
- TIMELINE AND OUTREACH
- REGULATORY OVERVIEW
- VALUE PROPOSITION
- PROJECT DEMAND

New England Clean Power Link - Overview



New England Clean Power Link Overview

- 1,000 MW buried HVDC transmission project
- 154 mile route from Canadian border to Ludlow, VT
- \$1.2B estimated project cost
- Target in-service of 2019; 40+ year expected operating life
- Experienced management team currently also developing the Champlain Hudson Power Express project in New York

Business Model

- The Clean Power Link is a merchant transmission project regulated by FERC that will sell transmission rights at negotiated rates through an Open Solicitation process

Regulatory & Siting

- Expected to be fully permitted by the end of 2015
- Permitting advancing with no public opposition
- Project is viewed as having very minimal environmental impacts
- All required land for overland route under control
- Support from local communities

Environmental & Economic

- Expected to reduce up to 3.3MM tons-per-year of CO₂
- Low impact footprint – submerged and underground installation on established ROW's and through Lake Champlain
- Significant economic benefits in Vermont and New England

Proposed Project Route – Lake Champlain

- 97+ miles to be installed on Vermont side of Lake Champlain
- Use of Lake for Project is authorized by the State of Vermont
- Specific route, installation techniques, and impacts reviewed by State and Federal Agencies
- Cable burial only proposed in depths less than 150 feet
- Time and cost efficiencies will be attained with lake installation vs. standard overland installation

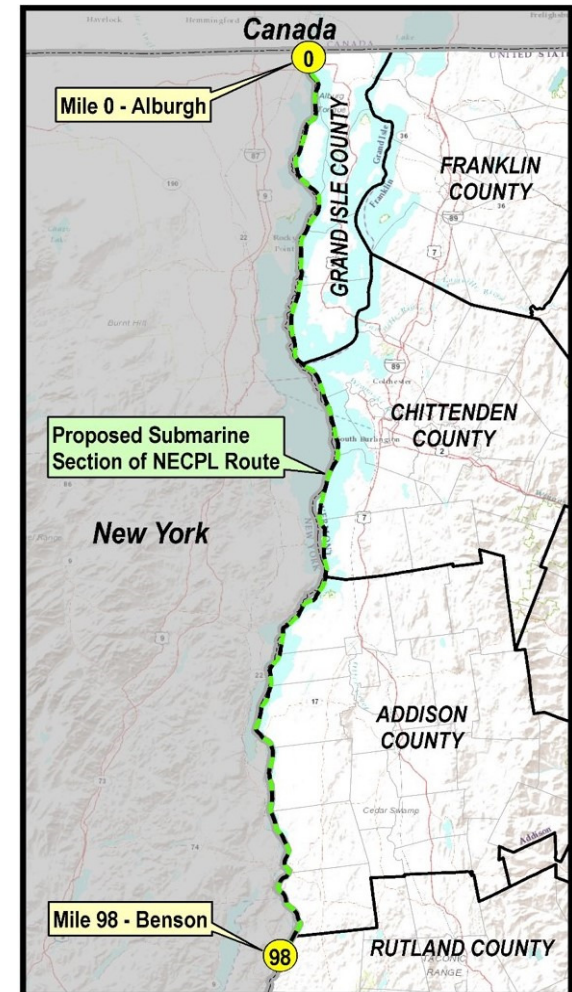
Proposed Installation Techniques

Cable Section	Mile	Proposed Installation
Lake Champlain	0 – 2 ⁽¹⁾	HDD / Diver Lay
Lake Champlain	2 – 22	Jet Plow
Lake Champlain	22 – 73	Lay on Bottom
Lake Champlain	73 – 97	HDD / Jet or Shear Plow

Photo of a Jet Plow



Lake Route: Benson - Alburgh

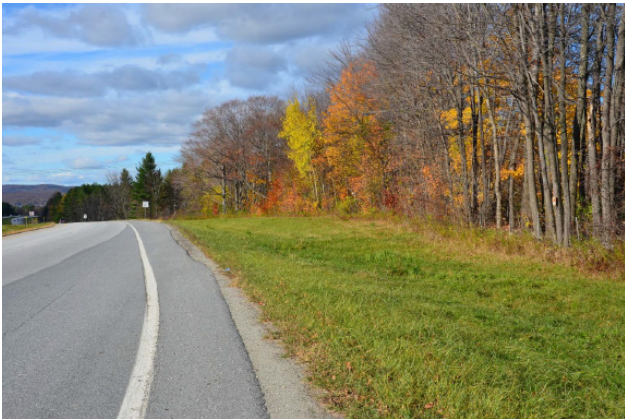


(1) The initial approximately 0.5 miles from the US-Canada border to Lake Champlain is buried underground.

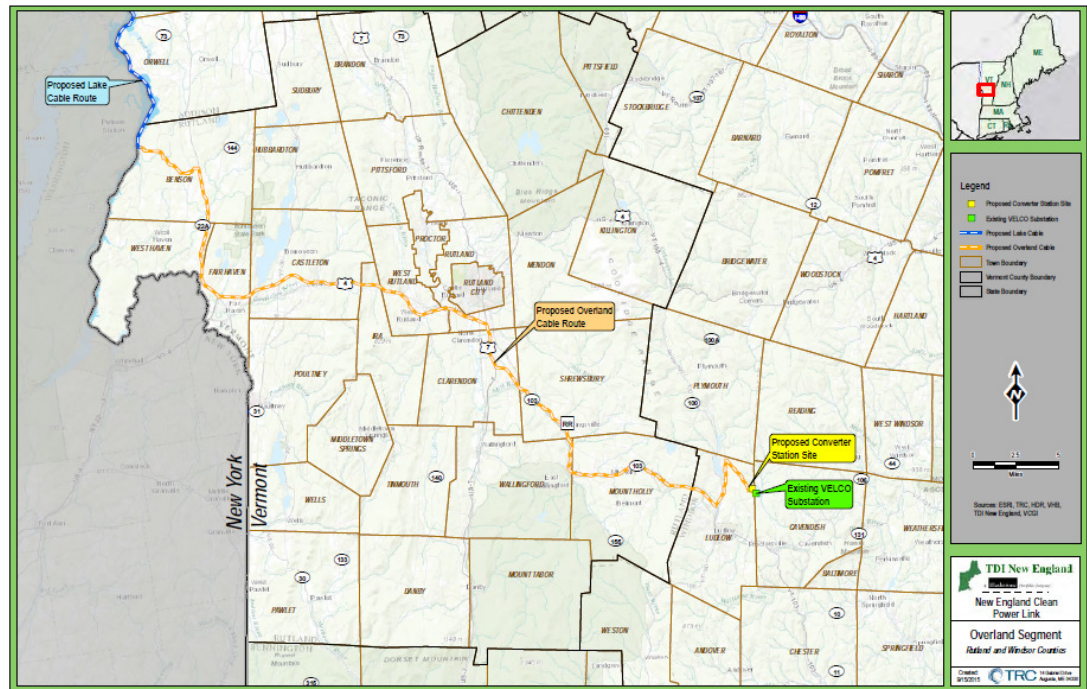
Proposed Project Route – Overland

- 57 miles along Public Rights of Way or TDI-NE controlled land
 - 43 miles on VT State Roads
 - 10 miles on Town Lake Roads or TDI-NE controlled property
 - 3.5 miles on VT State Railroad
- TDI-NE has Agreements with the State and Towns for the use of these Rights of Way
- Cables to be installed in 4' wide trench next to paved roads and under dirt roads

Road Right of Way to be Utilized



Overland Route Proposed through 13 Towns to Ludlow Interconnection Point



NECPL – Project Benefits

Projected Ratepayer Energy Savings

- \$245 million over first 10 years of operations for Vermont ratepayers
- \$1.9 billion over first 10 years of operations for New England ratepayers

Job Creation

- ~500 annual direct and indirect jobs in Vermont and over 200 additional jobs in New England during three-year construction period
- 200+ annual direct and indirect jobs in Vermont and over 1,900 additional annual jobs in New England during 40-year operating phase

Economic Payments

- ~\$900 million in tax and lease payments within Vermont over 40-year operating phase
- \$136 million in ratepayer benefits via agreement with VELCO over 40-year operating phase

Environmental Contributions

- \$263 million in funding to clean up Lake Champlain over 40 years
- \$109 million for Vermont renewable programs over 40 years

Economic analysis performed by Levitan & Associates, Inc. and Kavet, Rockler & Associates, LLC

Proven HVDC/VSC Technology

XLPE HVDC Cable

- Proven high voltage direct current (HVDC) technology that is ideal for efficiently transporting electricity long distances with minimal losses
- Two, five to six inch diameter cables are buried/submerged along the entire route; minimal maintenance required
- XLPE cables are solid-state and do not contain liquids
- Nominal operating voltage of +/- 300 to 320 kV



VSC Converter Station

- Utilizes Voltage Source Converter technology to convert power from DC to AC (and vice versa)
- Provides reactive power (voltage support) that stabilizes the electric grid



TIMELINE AND OUTREACH

NECPL PROJECT OVERVIEW

TIMELINE AND OUTREACH

REGULATORY OVERVIEW

VALUE PROPOSITION

PROJECT DEMAND

NECPL – Timeline

PROPOSED TIMELINE/ACCOMPLISHMENTS



Extensive and Ongoing Outreach

Initial Stakeholder Outreach

- State / Federal Agencies, Nonprofits, Elected Officials, Utilities, Town Officials, Environmental & Business Groups

Local & Regional Outreach

- Hundreds of meetings with Town Managers, Town Officials, Select Boards, Abutters, Interested Citizens, RDCs, RPCs, etc.

Local Information Meetings

- Six local open house meetings held
- Lake Symposium held to provide overview of Lake Installation

Formal Agency-Led Public Meetings

- DOE Hearings
- VT DPS Town Meetings
- VT PSB Public Hearing and Tour
- VT ANR Permit Hearings



“The TDI-NE project developers have already reached agreements to use rights of way for the project. They also involved communities, landowners, and activists early in the process. The input provided led to important new analysis of impacts and project modifications.”

Sandy Levine, Attorney with Conservation Law Foundation, Rutland Herald, July 19, 2015

REGULATORY OVERVIEW

NECPL PROJECT OVERVIEW

TIMELINE AND OUTREACH

REGULATORY OVERVIEW

VALUE PROPOSITION

PROJECT DEMAND

NECPL – Permitting Summary

VT State Permitting *Certificate of Public Good (Section 248)*

- The Vermont Public Service Board must find that an electric transmission facility project promotes the general good of the State of Vermont pursuant to V.S.A. Title 30 Section 248
- Application filed December 8, 2014
- Public hearing held February 24, 2015
- Agreements reached with all active parties, including State Agencies
- Technical hearings scheduled for October 20-22, 2015
- VT State Environmental Permits expected November 2015



**VT State Siting Permit
expected in Q4 2015**

Federal Permitting *Presidential Permit*

- A Presidential Permit must be issued for electric transmission facilities at the international border
- U.S. Department of Energy (“DOE”) issues the Presidential Permit and is the lead Federal agency for the environmental review
- Application filed May 20, 2014
- Draft Environmental Impact Statement (“EIS”) released May 31, 2015
- 6 comments received on DEIS during 60 day comment period
- Concurrence received from Departments of State and Defense
- FEIS expected October 2015



**Presidential Permit
expected in Q4 2015**

Federal Permitting *Army Corps of Engineers*

- ACOE Sections 10 and 404 permits required to ensure compliance with Clean Water Act and Rivers and Harbors Act
- Application filed November 7, 2014
- Application supplemented April 2015
- Application deemed complete and noticed to the public in July 21, 2015
- Public notice period ended August 21, 2015 with minimal comments
- No public hearing expected



**US Army Corps
of Engineers®**

**Army Corps Permits
expected in Q4 2015**

Vermont State Siting Overview



The Vermont Public Service Board must find that an electric transmission facility project promotes the general good of the State of Vermont pursuant to V.S.A. Title 30 Section 248

- December 2014: TDI-NE submits Petition for Certificate of Public Good to VT PSB
- February 2015: VT PSB holds hearing on Project with 10 comments received
- Spring 2015: Intervenors submit testimony and discovery on the Petition
- May – July, 2015: TDI-NE reaches agreements with all active Intervenors in the case, including:
 - VT Public Service Department
 - VT Division of Historic Preservation
 - Burlington Electric Department
 - VT Agency of Transportation
 - Towns of Alburgh, Benson, and Ludlow
 - VELCO
 - VT Agency of Natural Resources
 - Green Mountain Power
 - Conservation Law Foundation
- *Agreements stipulate that the VT PSB has the necessary information to approve the project and issue a Certificate of Public Good*
- October 2015: Technical Hearings scheduled with the VT PSB
- **December 2015: Receipt of Permit from VT Public Service Board expected**

Vermont State Permit Overview



In addition to the PSB Siting Process, TDI-NE must obtain several environmental permits from the Vermont Agency of Natural Resources to construct the Project.

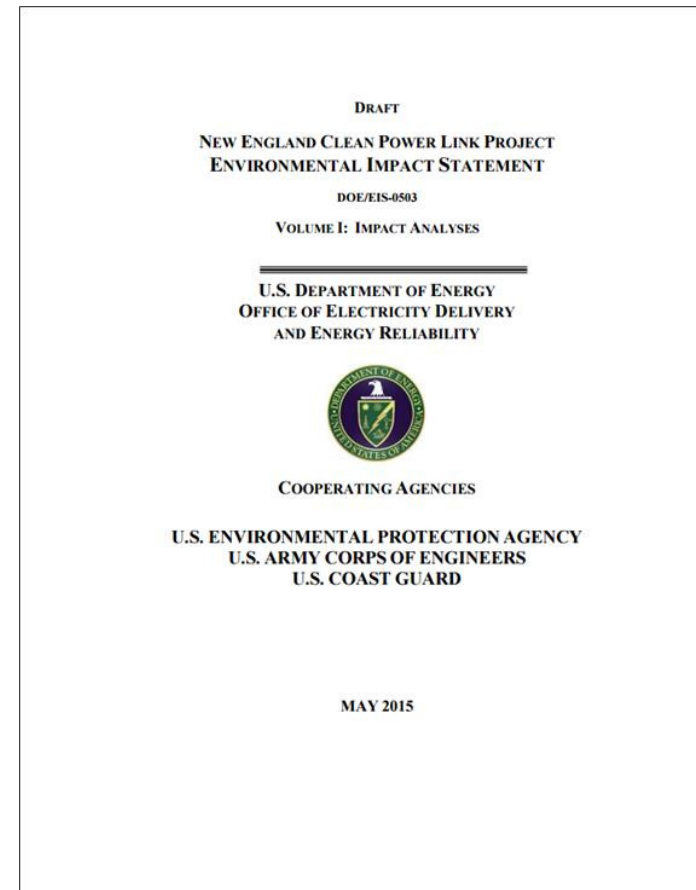
- Winter 2015: TDI-NE submits applications for required State Environmental Permits including:
 - Operational Stormwater Permit
 - Construction Stormwater Permit
 - Lake Encroachment Permits
 - Stream Alteration Permit
 - Wetland Permit
 - Floodplain Permit
 - Water Quality Certificate
- July – August, 2015: TDI-NE revises and resubmits certain applications based on State feedback
- September 2015: Permits to be noticed
- October 2015: Hearings on draft permits expected
- **November 2015: VT ANR Permits expected to be issued**

Presidential Permit Overview



An Environmental Impact Statement (“EIS”) must be completed for the Project. The U.S. Department of Energy (“DOE”) is the lead Federal Agency for this process.

- May 2014: Application submitted
- Fall 2014: Scoping completed; 12 scoping comments received by the DOE
- May 2015: Draft EIS released by DOE
- June 2015: 60 day comment period begins
- August 2015: Draft EIS comment period concludes with seven comments received
- August 2015: Department of State and Defense confirm that they have no objection to DOE issuing a permit
- October 2015: Final EIS expected to be released
- November 2015: Record of Decision expected
- **December 2015: DOE expected to issue Presidential Permit**



Army Corps of Engineers Permit Overview



US Army Corps
of Engineers

Section 10 of the Rivers and Harbors Act and Section 404 of the Clean Water Act require that permits must be obtained from the US Army Corps of Engineers in order to construct the Project.

- November 2014: TDI-NE submits Section 10 and 404 Applications to US Army Corps of Engineers
- April 2015: After consultation with the US Army Corps, the Application is revised and resubmitted
- July 2015: Application deemed complete and noticed to the public
- August 2015: Public notice period ended with minimal comments
- No public hearing scheduled
- **November 2015: Permit expected to be issued by the Army Corps**



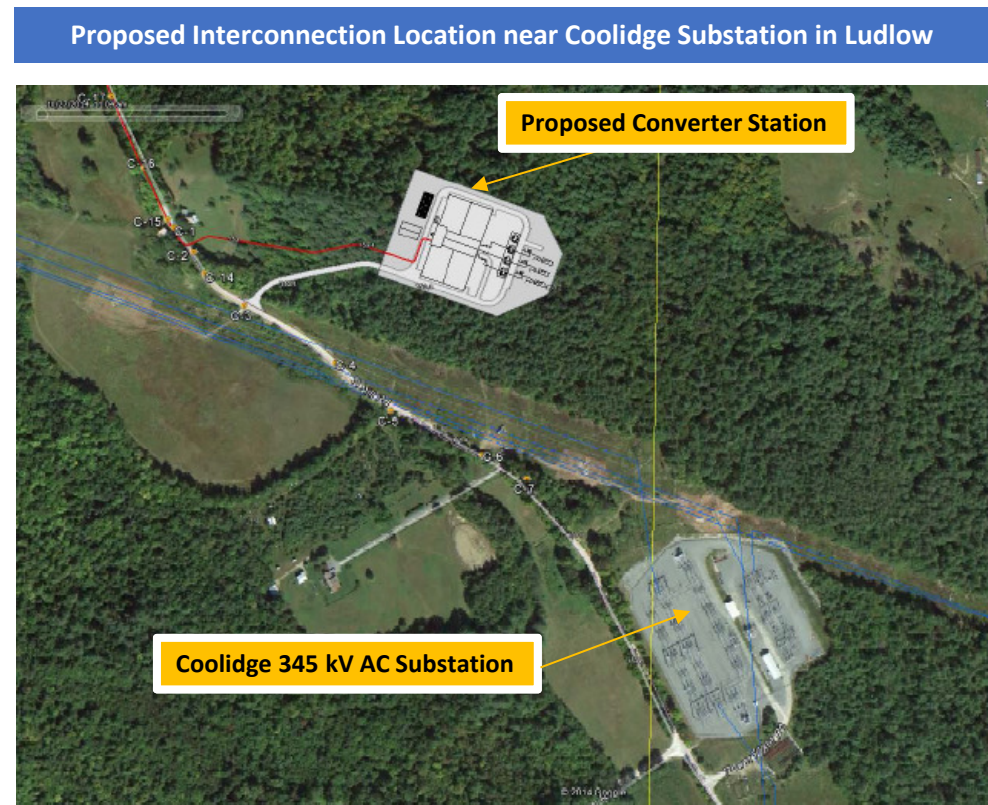
Interconnection Status (U.S. and Canada)

U.S. Interconnection

- October 2013: Original Interconnection Request (Q425) filed with ISO-NE for US Interconnection
- February 2015: System Impact Studies work by PTI-Siemens completed and submitted to ISO-NE
- February 2015: ISO-NE issued new ETU Procedures and NECPL assigned new Queue Position (Q501)
- Q2-2016: ISO-NE studies expected to be complete for the Project

Canadian Interconnection

- October 2013: Interconnection Request filed with Hydro- Quebec TransÉnergie for Canadian Interconnection (177T)
- February 2014: Signed System Impact Study Agreement
- Q4-2015: Interconnection studies expected to be completed in Quebec



NECPL – FERC Approval (Open Solicitation)

On March 10, 2014, FERC issued an order granting authority to TDI-NE to sell transmission rights on the NECPL at negotiated rates

- FERC’s Order authorizes TDI-NE to allocate transmission capacity on the project through an open solicitation
- The Open Solicitation requires TDI-NE to 1) broadly solicit interest from potential customers, and 2) allocate transmission capacity in a manner that is not unduly discriminatory or preferential
- TDI-NE anticipates commencing the Open Solicitation process early in the fourth quarter of 2015

146 FERC ¶ 61,167
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Cheryl A. LaFleur, Acting Chairman;
Philip D. Moeller, John R. Norris,
and Tony Clark.

Champlain VT, LLC Docket No. ER14-966-000

ORDER CONDITIONALLY AUTHORIZING PROPOSAL AND GRANTING
WAIVER
(March 10, 2014)

1. On January 8, 2014, Champlain VT, LLC, d/b/a TDI New England (TDI-NE) filed a request for authorization to sell transmission rights at negotiated rates on a proposed high-voltage direct current merchant transmission project (Project) and for waiver of certain Commission regulations. In this order, the Commission conditionally authorizes TDI-NE to sell transmission rights on the Project at negotiated rates and grants TDI-NE’s request for waiver.

I. **Background**

A. **Applicant**

TDI-NE is a limited liability company owned by Champlain VT, Ltd., which is indirectly wholly-owned by investment funds controlled by The Blackstone Group LP (Blackstone).¹ TDI-NE states that it was established for the purpose of developing and financing the Project, and does not own or operate any existing electric generation, transmission, or distribution facilities. Through the common control of Blackstone, TDI-NE is affiliated with the Champlain Hudson Power Express project, which is expected to be completed in 2017 and will be under the operational control of New York Independent System Operator, Inc.² TDI-NE states that Blackstone does not own or control any

¹ Filing at 3.
² Filing at 3 n.2.

Active 15224249.1

VALUE PROPOSITION

NECPL PROJECT OVERVIEW

TIMELINE AND OUTREACH

REGULATORY OVERVIEW

VALUE PROPOSITION

PROJECT DEMAND

NECPL – Project Need

New England Governors

- New England Governors and Eastern Canadian Premiers issue Sept. 2013 resolution on Energy (37-1), recognizing the need to increase Canadian Hydro in New England
- Governors and Eastern Canadian Premiers have reaffirmed their commitment to increased renewable imports at Meetings in April, 2015 (CT) and August, 2015 (Newfoundland)

Power Plant Retirements

- ISO-NE states 3,500 MW of generation will retire by 2018 within New England
- ISO-NE states an additional 6,000 MW of existing generation at risk of retiring within New England

ISO-NE: Fuel Diversity & Regional Power / Capacity Prices

- All six New England States are within the top 11 nationally in the price of electricity
- New England is moving to increase Canadian hydro and wind imports as a counterweight to natural gas, which in 2014 comprised approximately 44% of the region's electricity production
- Overdependence on Natural Gas resulted in approximately \$3 billion in additional electricity costs to Region during 2014 winter

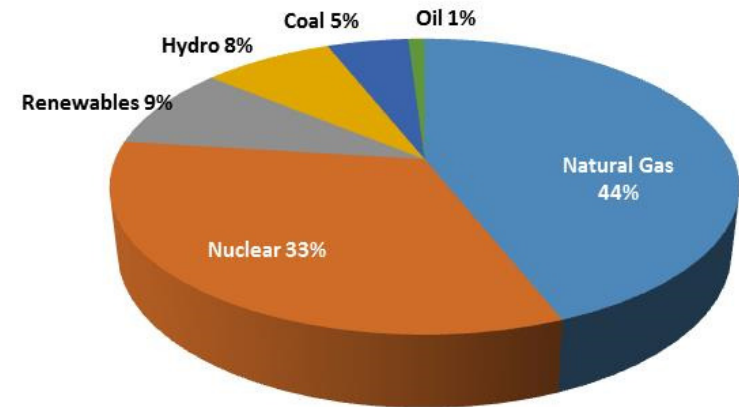
Climate Change Objectives

- All six New England State have aggressive Renewable Portfolio Standards
- Massachusetts Global Warming Solutions Act (25% GHG reduction below 1990 levels by 2020 and 80% by 2050) largest driver of clean energy in New England

Market Opportunities – ISO-NE Overview

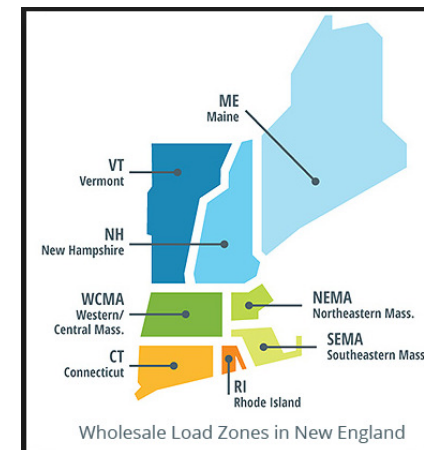
- ISO-NE, one of the most liquid U.S. wholesale power markets, covers the six New England states with peak demand in 2014 of approximately 24,443 MW
- ISO-NE operates several markets, acts as system operator, and is responsible for transmission and other aspects of planning for New England
- ISO-NE is subject to Federal Energy Regulatory Commission (FERC) jurisdiction
- The two principal ISO-NE markets are the energy market and the Forward Capacity Market (FCM)
- Renewable Energy Credits (RECs) in ISO-NE also add significant revenue for qualifying resources
- Other ISO-NE characteristics:
 - 6.5 million households and businesses; population of 14 million
 - ~350 generators
 - ~31,000 MW of generating capacity
 - Over 8,500 miles of high-voltage transmission lines
 - 13 existing interconnections to power systems in New York & Canada
 - All-time peak demand of 28,130 MW on August 2, 2006
 - \$10.5B traded in wholesale electricity markets in 2014 (\$9.1B in energy markets, \$1.4B in capacity and ancillary services markets)
 - More than 400 buyers & sellers in the market

New England 2014 Energy Mix by Fuel Type



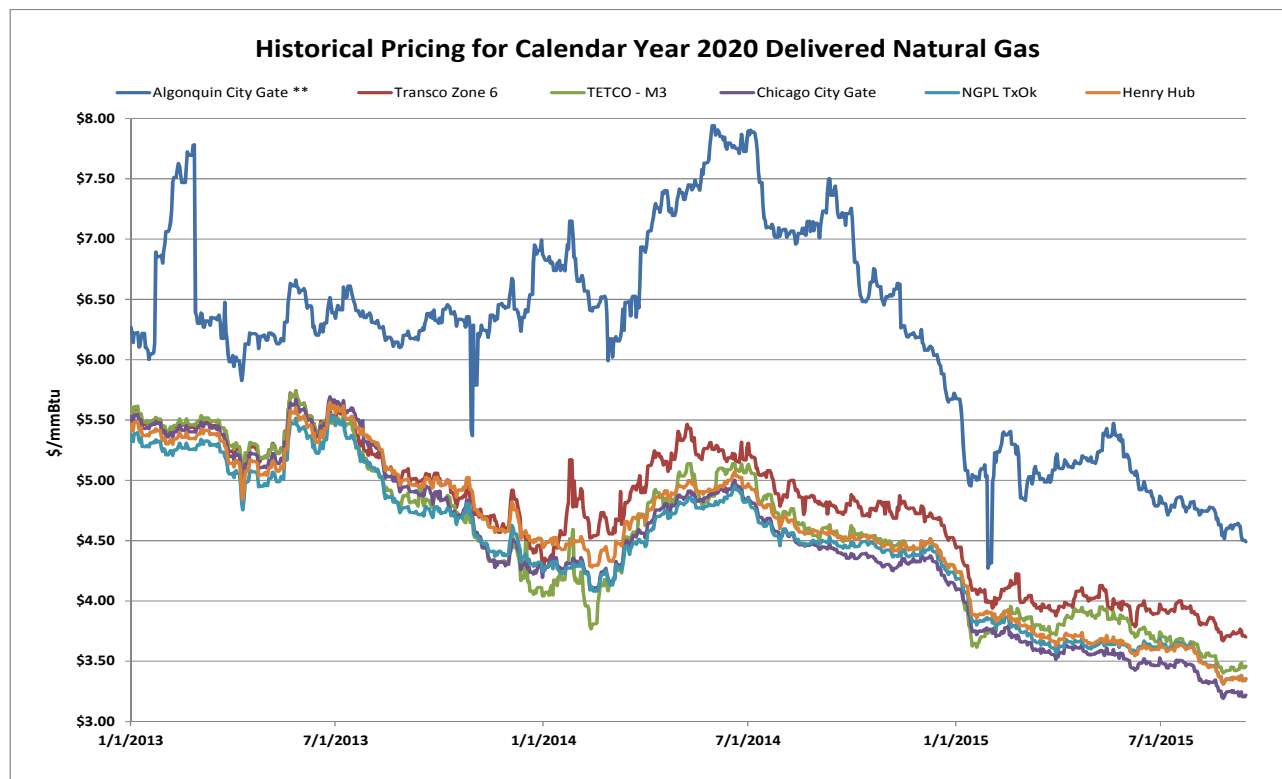
Source: ISO-NE 2015 Regional Electricity Outlook.

Wholesale Load Zones in New England



Market Opportunities – Gas/Energy Prices

- Constraints on the existing natural gas pipeline infrastructure that serves New England leads to the region having the highest delivered natural gas prices in North America
- Since gas has historically been the fuel on the margin that is largely responsible for setting wholesale electricity prices, these high prices will continue to present an attractive opportunity for resources that have access to transmission to import electricity into ISO-NE

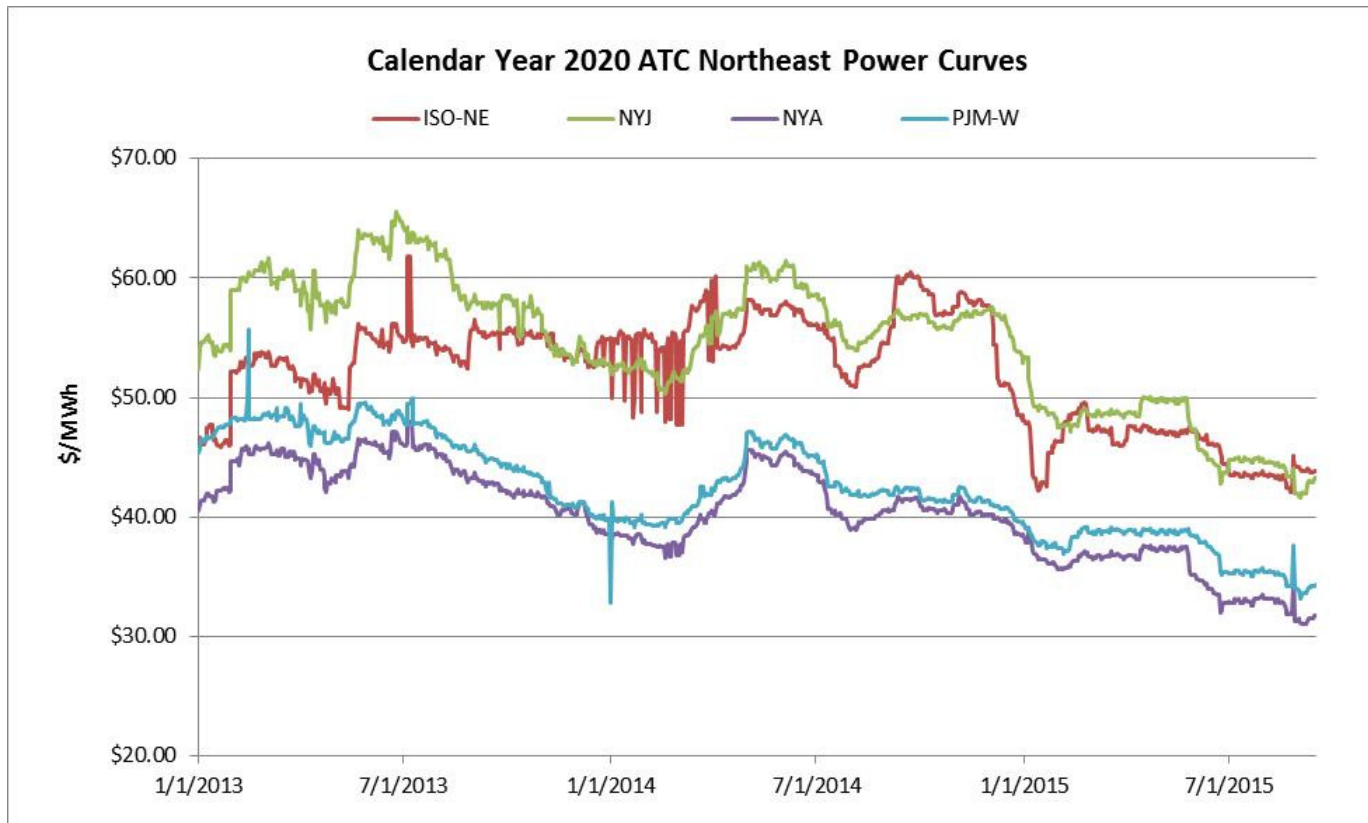


Source: Bloomberg.

NOTE: Algonquin City Gate is the benchmark delivered natural gas price point for New England.

Market Opportunities – Energy Prices

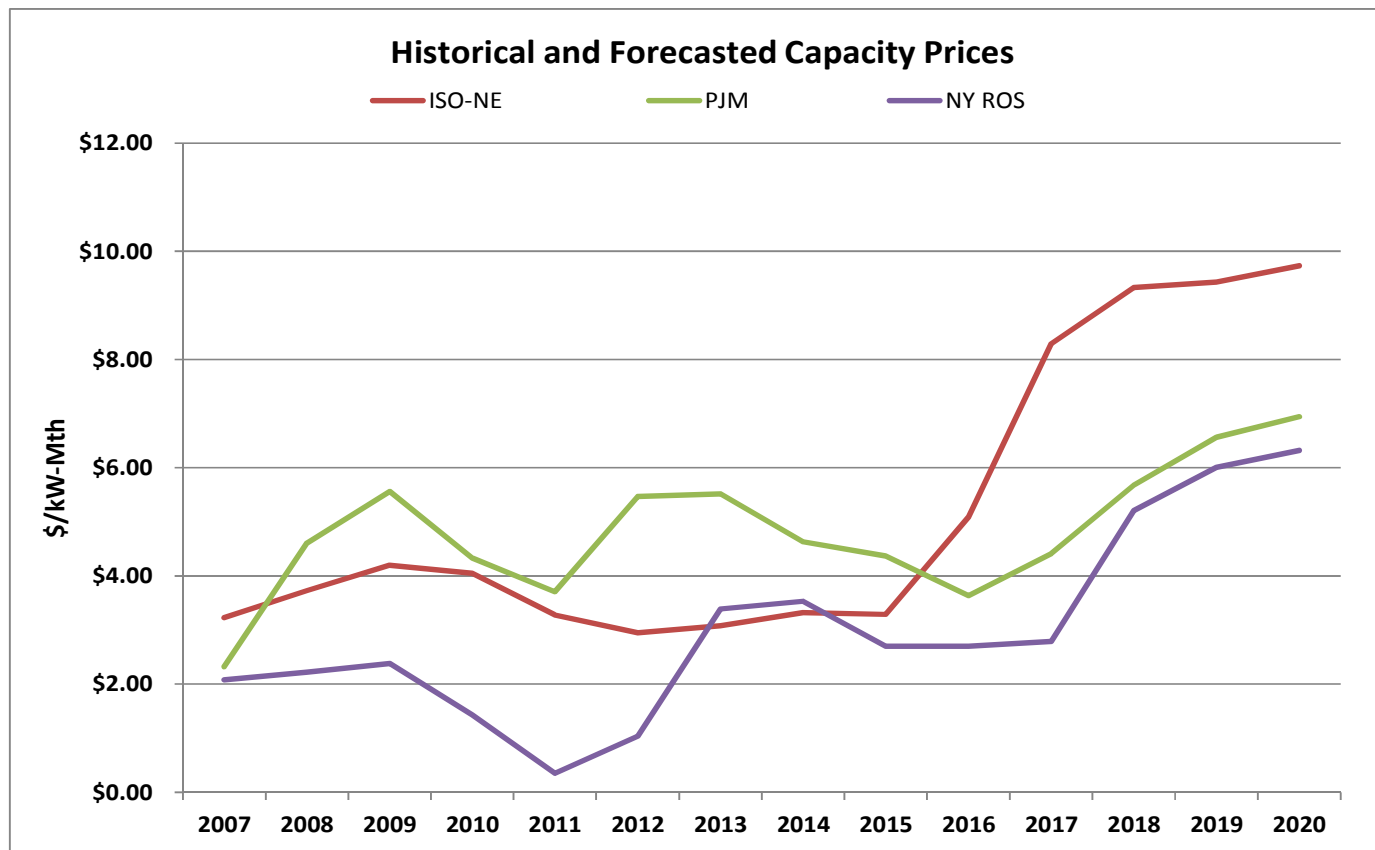
- Energy prices in New England are expected to be in-line with New York City, one of the most expensive energy markets in the U.S.



Source: Bloomberg as of 9/15/15.

Market Opportunities – Capacity Market

- With the implementation of the sloped demand curve, pay for performance penalties for generators with capacity supply obligations, and the planned retirement of significant nuclear/coal/oil generation, capacity prices in ISO-NE have outpaced those of surrounding regions and are expected to remain strong into the future



Source: ISO-NE, NYISO, PJM, LEI, ICF, and PA Consulting

Market Opportunities – RECs

- Due to aggressive RPS standards coupled with a difficult greenfield regulatory environment for siting new generation resources, Renewable Energy Credits (RECs) in New England are the most valuable in the country

State	REC ID Name	Tenor	\$/MWh
Texas	Texas Wind REC	2017	\$0.75
California	CA Bucket 3	2015	\$1.00
Indiana	Wind REC BH/FH	2015	\$1.00
New Jersey	NJ Class 1	2017	\$16.50
Pennsylvania	PA Tier 1	2017	\$15.88
New York	NYSERDA RFP 2554	10-yr term	\$34.95
Massachusetts	MA Class 1	2017	\$48.00

- When combining energy, capacity and REC prices together, ISO-NE provides renewable resources with access to import transmission and forecasted strong economics relative to the rest of the country

(in \$/MWh)	ERCOT-N	NYISO-A	NYISO-J	NEPOOL	PJM-W	PJM-E	SP-15	NP-15	MISO
Cal '20 OnPeak	\$37.00	\$38.00	\$51.80	\$51.55	\$40.15	\$48.60	\$40.20	\$39.90	\$38.70
Cal '20 OffPeak	\$25.25	\$25.75	\$35.10	\$37.15	\$28.70	\$33.40	\$34.00	\$33.90	\$28.35
Cal '20 ATC	\$30.75	\$31.45	\$42.85	\$43.90	\$34.05	\$40.50	\$37.45	\$37.25	\$33.20
Capacity	n/a	\$9.19	\$18.79	\$13.52	\$9.11	\$9.11	n/a	n/a	\$8.56
REC's	\$0.75	\$34.95	\$34.95	\$48.00	\$15.88	\$16.50	\$1.00	\$1.00	\$1.00
(REC Year)	2017	RFP 2554		2017	2017	2017	2015		2015
REC ID Name	GE TX Wind	NYSERDA		MA Class 1	PA Tier 1	NJ Class 1	CA Bucket 3		Wind REC BH/FH
Total	\$31.50	\$75.59	\$96.59	\$105.42	\$59.04	\$66.11	\$38.45	\$38.25	\$42.76

Source: Bloomberg as of September 9, 2015.

NOTE: Capacity Prices all converted to \$/MWh for comparison

Greenhouse Gas Reduction Goals

- Every New England State has adopted a legislative or executive goal of an approximately 80% reduction in greenhouse gas emissions by ~2050

State	GHG Reduction Goal	Source
Massachusetts	80% below 1990 by 2050	2008 MA Global Warming Solutions Act
Connecticut	80% below 2001 by 2050	2008 CT Global Warming Solutions Act
Vermont	75% below 1990 by 2050	10 V.S.A. § 578
New Hampshire	80% below 1990 by 2050	New Hampshire Climate Action Plan (2009)
Maine	75-80% below 2003 long-term	Act to Provide Leadership in Addressing the Threat of Climate Change (2003)
Rhode Island	75-85% below 2002 long-term	Rhode Island Greenhouse Gas Action Plan (2002)

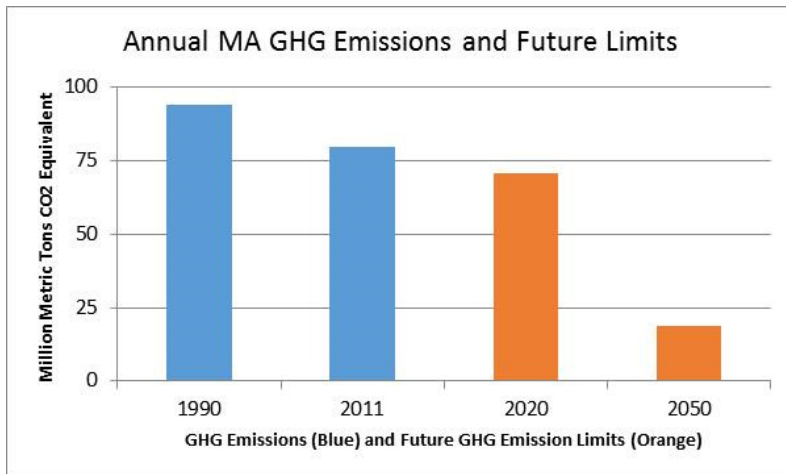
Source: Rhode Island State Energy Plan presentation (April 2014).

Greenhouse Gas Reduction Progress

New England States with the largest load have made progress to meet shorter term goals (although more work is required in Massachusetts), but significant efforts are required to meet long-term requirements

Massachusetts

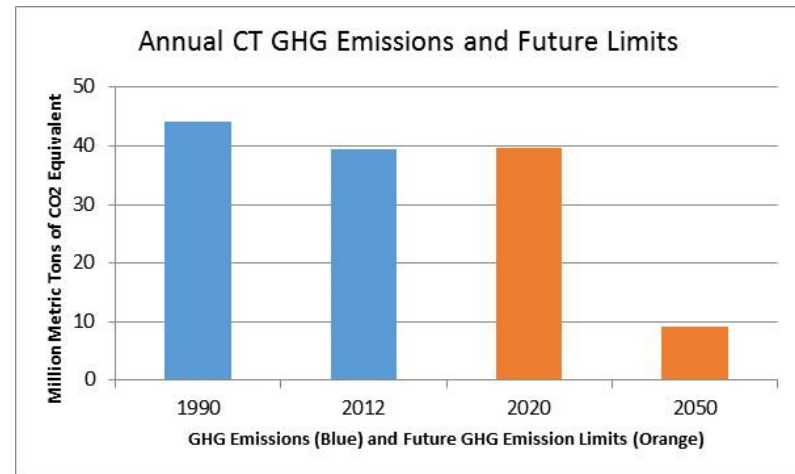
- Global Warming Solutions Act of 2008 requires Massachusetts to reduce its greenhouse gas emissions by 25% from 1990 levels by 2020 and 80% by 2050
- State has made progress but significant additional reductions are required to meet the criteria as stipulated by law
 - As of 2011, 15% reduction from 1990 levels was achieved although reduction was impacted by economic downturn
 - Over the long term, additional 65% reduction from 1990 levels is required to achieve 2050 requirement



Source: MassDEP (July 2014). Massachusetts Annual Greenhouse Gas Emissions Inventory: 1990-2011 with partial 2012 data.

Connecticut

- Global Warming Solutions Act of 2008 requires CT to reduce greenhouse gas emissions by 10% from 1990 levels by 2020
- Act also requires an 80% reduction from 2001 levels by 2050
- As of 2012, CT had reduced emissions by 10.5% from 1990 levels
- Despite the progress to date, significant reductions still need to be achieved in order to meet 2050 emissions reduction requirements



Source: CT Department of Energy & Environmental Protection's CT Greenhouse Gas Emissions Inventory 2012 (published in 2015).

PROJECT DEMAND

NECPL PROJECT OVERVIEW

TIMELINE AND OUTREACH

REGULATORY OVERVIEW

VALUE PROPOSITION

PROJECT DEMAND

Downstream Opportunity – Massachusetts

- On July 9, 2015, Massachusetts Governor Charlie Baker filed legislation to diversify the state's energy portfolio through the procurement of approximately 18.9 TWh of hydropower generation
 - The solicitation is critical to meeting the requirements of the Global Warming Solutions Act, a state law requiring MA to reduce carbon emissions by 25% between 1990 and 2020
- Legislation would require the state's utilities to solicit for no more than 18.9 TWh per year from clean generation resources and to enter into long-term (i.e. 15 to 25 year) contracts for ~9.5 TWh per project
- Initial solicitations are to commence no later than April 1, 2016
- Two other similar bills have been proposed in MA



The Official Website of the Governor of Massachusetts

**Governor
Charlie Baker**

For Immediate Release - July 09, 2015

Baker-Polito Administration Files Hydropower Legislation to Increase Access to Clean, Cost-Effective Renewable Energy

Proposal Works to Minimize Climate Change Impacts, Achieve Global Warming Solutions Act

BOSTON – Today, in a continued effort to stabilize New England's electricity rates while meeting the Commonwealth's Global Warming Solutions Act (GWSA) goals, the Baker-Polito Administration filed legislation to diversify the state's energy portfolio through the procurement of cost-effective, hydropower generation. This legislation will not only increase the reliability of New England's electricity system, but will provide Massachusetts' ratepayers with a clean, cost-competitive alternative to coal and oil generation.

"This legislation is critical to reducing our carbon footprint, meeting the goals of the Global Warming Solutions Act and protecting ratepayers already stuck by sky high energy prices," said **Governor Charlie Baker**. "Increasing the flow of hydroelectric power into Massachusetts and New England diversifies our energy portfolio and makes it clear we are ready to collaborate with our neighboring states to secure cost-effective, carbon-reducing energy solutions for the region."

"The plan submitted by the Baker-Polito Administration strikes an important balance between climate and environmental awareness, and Massachusetts' need for clean, cost-conscious generation resources," said **Energy and Environmental Affairs Secretary Matthew Beaton**. "As part of the Administration's balanced approach to making the necessary investments in our regional energy infrastructure, this legislation will enable the state to provide the needed generation capacity in the face of power plant retirements, while positioning the Commonwealth to achieve our Global Warming Solutions Act goals."

[An Act Relative to Energy Sector Compliance with the Global Warming Solutions Act](#), filed in the State Senate, seeks to require Massachusetts utilities to jointly, and competitively, solicit long-term contracts for clean energy generation resources and associated transmission together with the Department of Energy Resources.

"This legislation will provide a crucial opportunity to secure the delivery of additional clean energy resources for the Commonwealth," said **Department of Energy Resources Commissioner Judith Judson**. "As the state's energy office, we are committed to addressing our energy challenges and ensuring the procurement of clean energy resources is fair, transparent and is ultimately a cost-effective energy solution for the ratepayers of Massachusetts."

In addition to the benefits this legislation will bring to the regional electricity market, clean energy generation will position Massachusetts to reach its ambitious greenhouse gas reduction targets. The Baker-Polito Administration remains committed to achieving the emission reduction goals of the GWSA – a 25 percent reduction of emissions below 1990 levels by 2020. This legislation will enable Massachusetts to achieve over 5 percent of this required emissions reduction which is equivalent to taking approximately 1 million cars off the road, or replacing fossil fuel with renewable energy to power 1.2 million homes.

"Diversifying energy production makes sense as Massachusetts works to reach its Global Warming Solutions Act targets," said **Vivien Li, President of the Boston Harbor Association**. "The legislation proposed by the administration strikes an important balance by including hydroelectric power and Class 1 RPS-eligible resources without overwhelming the market with one form of generation. I commend the Baker-Polito Administration for its leadership in helping to address impacts of climate change within the Commonwealth."

While the Baker-Polito Administration is focused on the pursuit of clean base load hydroelectric generation, this legislation does not preclude intermittent renewable energy resources, such as wind, from participating in the solicitation provided the renewable resources is supported by hydropower. Additionally, the legislation will permit Massachusetts utilities to collaborate with other New England states, including Connecticut and Rhode Island, in the procurement of hydroelectric resources. The resulting multi-state partnership will enable the Commonwealth to

Downstream Opportunity – Tri-State RFP

- RFP sponsored by CT, MA, and RI for Hydro and Class I renewables
- Solicitation is smaller relative to potential MA legislation
- PPAs would only be for energy – capacity to participate in the FCM (per CT statutes)
- Final RFP expected to be issued in October, 2015
- More advanced than MA legislation although one year from final RFP issuance to approval
- Soliciting parties want incremental clean energy
 - For imports, defined as increase in imports to New England
- Includes a transmission only option
 - Can incorporate a negotiated rate rather than cost-of-service
 - Payments tied to actual incremental clean energy delivered

{Date}

**SPECIFIED STATE AGENCIES AND ELECTRIC DISTRIBUTION COMPANIES IN
CONNECTICUT, MASSACHUSETTS AND RHODE ISLAND**

**NOTICE OF REQUEST FOR PROPOSALS FROM PRIVATE DEVELOPERS FOR CLEAN ENERGY
AND TRANSMISSION**

IMPLEMENTATION OF CERTAIN PROCUREMENT STATUTES

INTRODUCTION

Pursuant to the clean energy goals of the States of Connecticut, Rhode Island, and the Commonwealth of Massachusetts (collectively the "Procuring States"), this Request for Proposals ("RFP") is soliciting offers for clean energy and transmission to deliver clean energy. The solicitation is conducted in accordance with and in fulfillment of certain legal requirements in the three states. The Soliciting Parties, as defined below, seek to identify projects that may enable parties in each state to achieve their respective state's clean energy goals more cost effectively than if each state were to proceed unilaterally while also complying with the applicable legal requirements of each state.

Accordingly, the Commissioner of the Connecticut Department of Energy and Environmental Protection ("CT DEEP") provides this RFP regarding the acceptance of proposals from developers pursuant to Sections 6 and 7 of Connecticut Public Act 13-303, *An Act Concerning Connecticut's Clean Energy Goals* (as amended by Sections 32 and 33 of Public Act 14-94, *An Act Concerning Connecticut's Recycling and Materials Management Strategy, The Underground Damage Prevention Program and Revisions to Energy and Environmental Statutes*), and Section 1(c) of Public Act 15-107, *An Act Concerning Affordable and Reliable Energy* as well as the Commissioner's authority under Connecticut General Statutes Section 16a-14. In addition, Fitchburg Gas and Electric Light Company, d/b/a Unitil, Massachusetts Electric Company and Nantucket Electric Company, d/b/a National Grid, and NSTAR Electric Company and Western

1

Blackstone – Merchant Transmission Platform

- Acquired Transmission Developers in 2010
- Significant development capital invested to date in Champlain Hudson Express and NECPL
- Fully prepared to commit 100% of the project equity capital required to develop and construct
- Deep, long term commitment to energy and natural resources with significant greenfield and brownfield development experience
 - Active investors and developers in the energy space
 - \$2.4 billion energy fund raised in September 2012
 - \$4.5 billion energy fund raised in February 2015

Blackstone Company Overview

- New York based asset management firm founded in 1985; public in 2007 (NYSE:BX)
- \$333B in assets under management as of June 30, 2015
- 2,000+ employees in 22 offices worldwide with portfolio companies employing 600K+ people globally



Additional Information



Company Website:	www.transmissiondevelopers.com
Project Website:	www.necplink.com
Project NEPA (DOE EIS) Website:	www.necplinkeis.com
VT State Siting Website:	www.psb.vermont.gov/docketsandprojects/electric/8400
Project Regulatory Documents:	www.necplink.com/regulatory-documents.php
Champlain Hudson Power Express Website:	www.chpexpress.com

Contact Information

TDI New England

PO Box 155
Charlotte, VT 05445
(802) 885-3890
info@chvtllc.com
www.necplink.com



Contact: Josh Bagnato | Josh.Bagnato@chvtllc.com | (802) 885-3890