

Request for Proposals
for
~16MW Community-scale Solar



Facilitated by
Rocky Mountain Institute



Key RFP dates

Request for Proposal (RFP) Issued:	August 05, 2016
Declaration of Intent to Participate:	August 12, 2016
Introduction to Finance Providers:	August 12, 2016
Optional Virtual Site Visit:	August 24, 2016
Questions / Clarifications due by:	August 29, 2016
Proposals Due:	September 19, 2016
Evaluation Period Ends:	October 07, 2016

Context

The shared solar segment within community-scale solar is currently enabled by legislation in 14 states and the District of Columbia. The segment is expected to grow to more than 10 GW by 2020. This RFP has three objectives:

- 1. Enable community members to purchase economic electricity generated from portfolios of community-scale solar arrays*
- 2. Demonstrate that broad retail access to distributed solar energy can be cost-effectively and profitably achieved through a mix of off-taker types*
- 3. Establish a standardized, replicable and transparent process that can be the basis for rapid market growth*

Significant developer interest has already been demonstrated across the virtual net-metered community solar market. Still, the price of community-scale solar installations does not reflect the potential value of the solar asset nor the long-term value of customer relationships.

Communities: A Distinct and Emerging Market Segment

Over 60 million Americans reside in states with active community solar policy, such as virtual net metering.¹ Assuming an average of 2.5 members per household, a 5 kilowatt average household load and ~50% household eligibility for residential solar, these households alone represent a nearly 60 GW market.² Other community constituents – corporate, governmental, and not-for-profit – have also expressed strong interest in procuring off-site solar electricity in the form of community-scale solar.

Communities (ranging from co-ops to municipalities) can access cost reduction and market access levers not normally accessible to developers, for example:

- Bundling of type-similar sites into a portfolio
- Execution of select steps of the development process (site acquisition, permitting, etc.)
- Leveraging local networked relationships
- Superior geographic knowledge
- Access to public resources

Municipalities, cities, and counties have a responsibility to serve local constituents such that the value of their support must be accessible to all residents across the

¹ U.S. Census Bureau, 01 July 2015. <http://www.census.gov/popest/data/state/totals/2015/> NC Clean Energy Technology Center. February 2016. <https://nccleantech.ncsu.edu/wpcontent/uploads/50sosQ4-FINAL.pdf>. Accessed June 2016.

² NREL, April 2015. U.S. Census Bureau, July 2015. <https://www.census.gov/quickfacts/table/PST045215/00>. Accessed June 2016.

Note: this figure does not account for those households who may prefer the economics of community solar.

socio-economic spectrum. They are therefore likely to support and drive innovative solutions to open up local markets.

Unlocking the Community Solar PV Market

Scaling an inclusive community solar market will require a cost-competitive and *clear customer offering*, providing *immediate savings*.

- ***Immediate savings***
ROCSPOT represents the interests of Greater Rochester residents in procuring solar electricity with economic savings compared to current retail rates. New York State's virtual net metering regime and the NYSERDA MW Bloc Incentive support this objective. Still, solar system costs and prices need to decline further to reliably compete with some upstate electricity rates.
- ***Clear customer offerings***
The simplicity of zero-money down solar access is credited with the rapid growth of the retail residential solar market in the United States and elsewhere. Similar clarity should be offered to prospective retail community-scale solar customers, while simultaneously easy and inclusive community access (i.e. through project-level credit enhancement mechanisms). Transparent Bids that address household needs in a simple, straightforward manner will be favored.

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1 Overview

1.1 RFP issuer

A community-based not-for-profit organization, ROCSPOT, is issuing this RFP in partnership with Rocky Mountain Institute (RMI). ROCSPOT and RMI will select the Bidder whose proposal best meets the criteria defined below.

1.2 Capacity Demanded

ROCSPOT and RMI will consider Bids for 9 sites capable of hosting approximately 16 MW. All potential sites have been selected from a broader pool of sites, and initially secured with signed Letters of Intent. Therein, participating property owners express their willingness to hold their land until December 2016 for purposes of this RFP; in particular, many have expressed partiality toward hosting solar on their lands. See Appendices F and G for additional information on these sites.

Should bidders have other sites secured that are viable to serve the Greater Rochester area, Bids for additional capacity may be submitted in the RFP Response Workbook (see section 1.4.1 below).

1.3 Financing Terms

Bidders are expected to engage capital providers to assess financing terms in the course of providing Bids. A companion RFQ proceeding to capital providers will identify interested parties, whose contact information will be shared with Bidders who indicate intent to participate. Those Bidders who demonstrate the most competitive all-in offerings will be short-listed and, if they so choose, given time to negotiate final financing terms with New York Green Bank (NYGB).

Bidders may seek to avail themselves of potential financial support provided by NYGB, as further described in indicative terms in Appendix D. Leading bidders will arrive at final terms for that support through bilateral negotiations with NYGB after the close of the Evaluation Process, at which time they will be expected to submit final Bids.

1.4 Scope

1.4.1 Bidders

- Bidder is responsible for financing, engineering, procurement, and construction (“EPC”). Where space is provided, Bidder should note those scopes of work it would not be willing to subcontract other than in the manner described in their proposal.
- Bidder is responsible for final site acquisition, interconnection, permitting, inspection, and all other tasks required to develop, build, and operate a solar project.
- Bidder may submit Bids for the entire portfolio of projects, for one project, or for a subset of the portfolio.

- Bid offerings will be in the form of 1) proposed PPAs with anchor off-taker and/or 2) for households, subscription contracts or upfront purchase contracts financed with cash or consumer lending, depending on Bid scenario (see Appendix A, Part 2).
- Bidder will also provide operations and maintenance (“O&M”) and subscriber acquisition and management (“SAM”) services over project lifetimes. Bidder may subcontract some or all of these responsibilities to third parties.
- Where applicable, a subset of Bidders, “Specialized Service” providers, may be interested to provide quotes for specialized scopes of work only, such as EPC and subscription services. See Section 2.1.
- Bidder is required to bid on community-identified sites, but is also permitted to bid on sites independently secured in NYISO Load Zone B and Rochester Gas & Electric service territory. Through participation in this procurement process, any additional sites must meet the same conditions and assessment criteria as community-identified sites, as identified in Section 3 of this RFP. Further, terms of NYGB and Anchor participation relative to those sites will be determined at time of negotiation.

1.4.2 Rochester Solar Worker Cooperative

- The City of Rochester Office of Innovation and Strategic Initiatives’ strategy for job creation and wealth building in high poverty areas of Rochester has included provisions for developing local worker-owned cooperatives. Within that strategy, the City may support a a member- and employee-owned Solar Worker Cooperative with initial startup costs to undertake initial customer acquisition, provide construction labor, and provide ongoing customer acquisition and O&M services for these and future local solar projects.
- Bidders are asked to include in their proposals descriptions of how they would plan to work with, and subcontract to, a Rochester Solar Worker Cooperative, including initial generally expected contract terms and risk allocation, e.g. performance-based contracts (see: 5.3-5.5 in the RFP Response Workbook).
- As described in Section 1.4.1, Bidders are asked to price all activities associated with development, ownership and operation of shared solar arrays as if performing those activities independently. Final pricing for aforementioned services to be performed by the Solar Worker Cooperative will be determined post-RFP with the selected Bidder.

1.4.3 Selection process

- Bids will be assessed against the criteria described in Section 3 of this RFP.
- Specialized Service Bids will be assessed in two ways:
 - Their terms and qualities will be provided to and reviewed by short-listed Bidders to this RFP interested in the lowest total cost of construction, subscription management and ownership.
- ROCSPOT/RMI will select one Bidder to negotiate final pricing, contract

terms, any remaining stakeholder engagement, and perform the above tasks for the portfolio of projects, per the criteria described in Section 3 of this RFP.

- It is strongly preferred that projects be operational and delivering power by **March 1, 2018** target date. Bidders can describe estimated and proposed timelines for development, construction and the start of commercial operations.

Bidders should describe conditions, if any, to which their proposals are subject. ROCSPOT/RMI retain the right to reject any or all offers on the basis that the Bids do not provide sufficient customer benefits or would impose conditions that are determined to be impractical. Final terms and conditions of contracts and pricing will be negotiated between the selected Bidder and Anchor Off-taker after selection through this RFP.

1.5 New York State Requirements

All Bidders are expected to conform with applicable New York State requirements vis-à-vis Remote Net Metering, Community Distributed Generation and the Operating Agreement with local utility service provider, MW Bloc Incentives, local wage rates, and others provided by the State of New York and its governing bodies. Bidders who fail to conform with those requirements will not be considered under this RFP.

1.6 About the Stakeholders

1.6.1 ROCSPOT

Rochester Solar Power Organizational Team (ROCSPOT) is dedicated to transforming Rochester's economy from one powered by fossil fuels to one powered by solar technology. ROCSPOT seeks to create an equitable, sustainable energy model for every resident within the city limits, and for all of its Greater Rochester educational, institutional, community and business partners.

1.6.2 Rocky Mountain Institute

Rocky Mountain Institute (RMI)—an independent nonprofit founded in 1982 transforms global energy use to create a clean, prosperous, and secure low-carbon future. It engages businesses, communities, institutions, and entrepreneurs to accelerate the adoption of market-based solutions that cost-effectively shift from fossil fuels to efficiency and renewables. In 2014, RMI merged with Carbon War Room (CWR), whose business-led market interventions advance a low-carbon economy. The combined organization has offices in Basalt and Boulder, Colorado; New York; Washington, D.C.; and Beijing.

RMI's Shine Program

RMI Shine is supporting communities as they develop innovative community-scale solar projects to make solar energy affordable and accessible for all. This request for proposals is an early stage effort in which RMI supports communities in their efforts to decrease barriers to solar PV procurement for underserved markets. Specifically,

these projects address two barriers: i) cost and ii) access. In this RFP, the Community Partners and RMI are addressing these barriers through:

1) Community-Supported Development

Where applicable, ROCSPOT will work with local municipalities to assist development by leading or supporting site identification and initial due diligence, customer acquisition, permitting, any remaining zoning issues, as well as local policy support and job training. Such assistance can decrease pre-construction costs and reduce delivery risk. From recent procurement efforts in the United States, we understand community-supported development may lead to lower PPA prices. Additional rounds of projects, to include local publicly owned sites, may be contingent on procurement of cost-effective Bids in this initial Round.

2) Collective Procurement Supported by a Third-Party

RMI is a third-party advisor, supporting a solar procurement process for a portfolio of projects and liaising between vendors and buyers. The final decision on vendor and terms will be negotiated with an Anchor Off-taker, who may procure power and pay for services in accordance with procurement procedures and approval processes. Anchor Off-taker and ROCSPOT will negotiate pricing on behalf of residential subscribers.

Cost Recovery

RMI reserves the right to discuss cost recovery with selected Bidder, as a dollar per watt figure with negligible impact (i.e. less than one dollar per megawatt-hour sold) on final price to power purchasers.

2 Instructions to Bidders

2.1 Input Sheet Directions

In the Input Sheet, in addition to providing qualitative information (tabs 1-6, 10-15) respondents, as appropriate, should adhere to the following bid input steps:

PPA Bidders (including subcontractors)

- Bidder “Best Price” (Tab 9)
 - a) Bidders are asked to insert their best offer prices in this tab, specifying the conditions and requirements to achieve that price and accompanying contract terms.
 - b) Bidders may provide a blended price for Buyers across those sites they seek to include in the portfolio.
- Price Input (Tab 8)
 - a) Bidders are asked to provide price quotes for their choice of scenarios described in Appendix A.
 - b) Bidders are asked to provide prices with 0% escalator for purposes of simplicity.
- Cost Input (Tab 7)

Bidders are asked to provide EPC and subscription acquisition costs.

Specialized Service Providers

- Cost Input

Specialized Service providers are invited to insert their estimated costs for a selected set of services. Lowest cost estimates may be shared with short-listed Bidders, *only pending Specialized Service Provider agreement*, to support cost-competitive Bids.

2.2 General Information

2.2.1 Buyer Non-Obligation

Nothing contained in this Request for Proposals (RFP) shall be construed to require or obligate ROCSPOT/RMI to select any proposals or limit the ability of ROCSPOT/RMI to reject all proposals. ROCSPOT/RMI reserve the right to withdraw and terminate this RFP at any time prior to the execution of a contract.

2.2.2 Acknowledgement and Acceptance of Terms and Conditions

The submission of a proposal shall constitute a Bidder’s acknowledgement and acceptance of all terms, conditions, and requirements of this RFP. If Bidder has reasonable grounds to reject any terms or conditions, Bidder must identify problematic terms in Response Input Sheet. Inability to accept a term or condition will not necessarily disqualify Bidder.

2.2.3 Right to Use Responses

Subject to 2.1.4, all proposals submitted to ROCSPOT/RMI pursuant to this RFP shall become the exclusive property of ROCSPOT and RMI and may be used for any reasonable purpose by ROCSPOT and RMI. Intellectual property rights in the

content of the proposal (or at least the designs submitted) will remain with Bidders and ROCSPOT and RMI will have a non-exclusive royalty-free non-transferrable license to use these intellectual property rights in the proposals for purposes of evaluating the Bids.

2.2.4 Confidential Content

ROCSPOT and RMI shall consider materials provided by Bidders in response to this RFP to be confidential only if such materials are clearly designated as "Confidential". Bidders should be aware that their proposal, even if marked "Confidential", may be subject to discovery and disclosure in regulatory or judicial proceedings that may or may not be initiated by ROCSPOT/RMI. Bidders may be required to justify the requested confidential treatment under the provisions of a protective order issued in such proceedings. If required by an order of an agency or court of competent jurisdiction, ROCSPOT and RMI may produce the material in response to such order without prior consultation with the Bidder. RMI intends to analyze and communicate RFP response data in aggregate for research purposes, but RMI is committed to respecting Bidder confidentiality and will not publicly disclose individual responses without Bidder's written permission.

2.2.5 Responsibility for Taxes and Other Charges

Bidders shall be responsible for all costs and issues associated with Bids; contract negotiations; completion of the contract; all taxes, duties, fees and other charges associated with the delivery of capacity and energy under the contract; and compliance with all local, state and federal laws that may affect the contract. Bids shall account for and provide assumptions for all taxes, duties and charges associated with the engineering, procurement, construction, ownership, operation and maintenance of the System during the PPA term excluding real property taxes where applicable. Each party shall bear its own costs associated with the preparation of its Bids.

2.3 Response Format

Bidders shall submit all responses using the Excel spreadsheet, titled "ROCSPOT-RMI RFP Response Workbook.xlsx".

Bidders' responses must conform to the instructions, structure and format of the RFP documentation. In doing so, Bidders are asked not to change the format and structure of the Excel documents in any way, and to provide all numeric data in the units requested. All responses should be made in cells marked with the light yellow color.

Bidders must answer all questions in the questionnaire, with the exception of questions marked optional. Each question has been weighted (according to importance) using a set of scoring guidelines. Please keep in mind that this does not override the questions within the response form, these are for evaluation purposes and need to be completed. Suppliers are also strongly advised to not submit generic sales material but only material that is relevant for the scope at hand.

Table 1: Key Events and Dates

Date / Time	Event
August 05, 2016	RFP issued
August 12, 2016	Deadline for declaration of Intent to Participate (noon MT)
August 12, 2016	Qualified capital providers introduced to Bidders (by close of business MT)
August 19, 2016	Optional Pre-proposal virtual site visit
August 29, 2016	Deadline for questions and clarifications
September 19, 2016	All Bids due (noon MT)
October 07, 2016	End of initial evaluation period

2.4 Intent to Participate

Please confirm your intent to participate no later than **August 12, 2016 12:00pm Mountain Time** (2:00pm ET). Bidders can confirm their intent to participate by notifying Kieran Coleman via email (kcoleman@rmi.org) with the subject line “[Bidder] Intent to Participate in ROCSPOT RFP”.

2.5 Site Visit(s)

ROCSPOT and RMI will host a virtual site visit or otherwise provide additional site information on August 19, 2016 at 12pm Mountain Time (2:00pm ET) to Bidders who have submitted the Intent to Participate in accordance with Section 2.4. The virtual site visit will include video footage from the sites and, along with the detailed site information in Appendix G, will preclude the need for a mandatory in-person site visit. More details on virtual site visit forthcoming. ROCSPOT may host a physical site walk, the time and date of which will be determined and shared with Bidders.

2.6 Questions and clarifications

All questions and clarifications should be directed to RMI. Suppliers will have the opportunity to ask questions through e-mail during the RFP process. Responses to answers will be provided to all bidders concurrently and posted online at http://www.rmi.org/shine_community_solar and the ROCSPOT webpage, <http://www.rocspot.org>. The identity of the bidder that submitted the question will remain confidential.

RMI will not respond to questions received after **August 29, 2016**. All questions and clarifications should be sent to Kieran Coleman (kcoleman@rmi.org) with the subject line “[Bidder] Questions in Response to ROCSPOT RFP”.

2.7 Submission Instructions

Please submit your proposal via email to kcoleman@rmi.org by **12:00pm Mountain Time (2:00pm ET) on September 19, 2016**, with the subject line “[Bidder] Proposal in Response to ROCSPOT RFP”.

3 Evaluation Process

3.1 Initial Screen

Bids will be screened for minimum requirements, which include:

- Completeness
 - Bids that respond to most or all requested information in the accompanying RFP Response Workbook will be preferred.
- Ability to Deliver
 - Bidders will be holistically evaluated for ability to deliver. Bidder's experience, delivery method, and risk management will be considered.
- Quality and Timeline
 - Bidders will be asked to provide input on hardware quality and warranties. Tier 1 Modules and UL listed hardware are strongly preferred.
 - Bidders will be asked to provide development schedule. Earlier commercial operation dates are preferred to later CODs. Projects must be commissioned on or before March 1, 2018.

3.2 Bid Evaluation

Bids will then be evaluated based on the following criteria:

3.2.1 Price

Bidder will propose pricing for PPAs, and subscriptions or cash purchases; contract durations and structures; and types of off-taker. Bidder will also have opportunity to provide terms for lowest levelized PPA or subscription price.

For those Bidders responding to Cases B and C (see Appendix A), Bidders' proposed contract pricing will be weighted with the following terms:

- Anchor PPA: 35%
- Household subscriptions: 65%

3.2.2 Cost

Bidders and Specialized Service Bidders will also be assessed on elements of cost, with the intention of achieving the lowest overall cost of ownership.

3.2.3 Acceptance of Terms & Conditions

Bidder is asked to acknowledge and accept indicative Anchor PPA terms and conditions. Inability to agree to terms will not necessarily disqualify a Bidder, but Bidder must identify problematic terms in Response Input Sheet.

3.2.4 Community Engagement & Benefit

Strong preference will be given to Bids that engage and benefit the Rochester community. Examples of community engagement and benefit include:

- Economic benefits (e.g. use of local labor or contractors)
- Financial benefits: savings, collective or household ownership, etc.
- Community outreach (e.g. local outreach and education programs)

3.2.5 Innovation

Examples of innovation include:

- Credit risk reduction or transfer: structural or financial credit enhancements
- Market risk acceptance or transfer: proportion of short-term contract and/or stated intent to provide energy efficiency retrofits and other energy products and services on a rolling basis post-COD to qualified homeowners.
- Access: Substantial low- and moderate-income access.
- Integrated value streams: energy efficiency offering, on- or off-project-site battery systems, or other.

3.3 Bid Selection & Negotiation

RMI and ROCSPOT will analyze Bids on behalf of Community Partners and make a determination as to a selected Bidders' ability to pass the initial screen and meet the criteria listed described above.

Pending Bidder's ability to meet those criteria, Bidder will then proceed with remaining aspects of the development process. These may, but will not necessarily include, negotiation of final PPA terms with Anchor; negotiation of final site pricing with landowners; if applicable, negotiation of final term sheet with New York Green Bank, if applicable; and finalization of contractual arrangements with the planned Rochester Solar Worker Cooperative.

Appendix A: Bid Structure Description

This appendix describes the manner in which Bids should be made for both PPA Bidders (Parts 1, 2, 3) and Specialized Service Bidders (Part 1).

Part 1: For both PPA and Specialized Service Bidders, below find a description of Tab 7. *Cost Input* of the RFP Response Workbook. Specialized Service Bidders are also asked to submit responses to Tabs 2-6 and 10-13.

EPC costs

- Bidders are asked to provide EPC costs for individual project sites in the applicable row. EPC costs should represent actual cost to the Bidder rather than an all-in price.
- In a follow-up, snap round, RMI may ask Bidders for detailed cost estimates underlying EPC pricing provided.

Subscription Service costs

- Bidders are asked to provide subscription service costs for two cases:
 1. Anchor PPA and Household subscription contract terms of 20 years, under the 1.) Baseline Scenario described in Part 2 below.
 2. Anchor PPA and Household Subscription contract terms of various tenors, under the LMI-inclusive Scenario described in Part 2 below. Bidder should specify in the space allotted the length of such tenors (i.e. the same as those on Tab 9. *Bidder Provided Price*, if applicable) and what services they are costing.
- Bid details: this RFP assumes the following definitions for the relevant components of providing subscription services. Any distinctions between the below definitions and those used to provide overall subscription service costs should be clearly stated where applicable.
 - *Generate Leads* – the cost of Bidder’s traditional processes for generating and sourcing household leads in the form of signed expressions of interest by way of marketing, advertising, publicity campaigns or other. Please specify other where applicable.
 - *Sign up customers* – the cost of signing up customers for community solar arrays. This cost may include administrative costs, such as reviewing applications, due diligence, and Off-taker profile analysis, among other things. Please specify other where applicable.
 - *Manage accounts* – the cost of managing billing, crediting, and other services managing subscriber accounts. Please specify other where applicable.
 - *Maintain subscription levels* – the estimated cost of traditional ongoing marketing and publicity to maintain a certain level of subscription. As necessary, please specify additional details where applicable.

Part 2: Below find a description of the *Baseline Scenario* and *Low- and Moderate-Income-Inclusive Scenario* found on Tab 8. *Price Input* of the Response Workbook in table and written format.

Bidders are requested to provide at least one price in each of the two scenarios described in Table 2 below. Cases A-C are requested as a means of providing ROCSPOT/RMI with informed recommendations as to the type of opportunity for community participation in the community solar projects. Detailed descriptions of assumptions to be made in each scenario and case are provided to create a comparable basis for Bids.

Table 2: Price Input Structure, Bid & Off-taker Types

	1) Baseline Scenario	2) LMI-inclusive Scenario
A) Households	<ul style="list-style-type: none"> Household Off-taker profiles defined by Bidder. 	<ul style="list-style-type: none"> 80% Household Off-taker profiles defined by Bidder. 20% LMI Household Off-takers as defined in Table 3.
B) Households + Anchor	<ul style="list-style-type: none"> Anchor PPA: 40% Household subscriptions: 60% Household Off-taker profiles defined by Bidder. 	<ul style="list-style-type: none"> Anchor PPA: 40% Household subscriptions: 60% Household Off-taker profiles partially defined by Bidder, partially defined by Table 3.
C) Households + Anchor with Flexible Backstop	<ul style="list-style-type: none"> Anchor PPA: 30-40% Household subscriptions: 60-70%. Household Off-taker profiles defined by Bidder. 	<ul style="list-style-type: none"> Anchor PPA: up to 40% Household subscriptions: 60-70%. Household Off-taker profiles partially defined by Bidder, partially defined by Table 3.

1) Baseline Scenario

The Baseline Scenario invites pricing for up to three cases:

- A. Households (Bidder-proposed criteria)
 - Prices in this case should be provided under the assumptions that:
 - Bidder is awarded all sites.
 - **100%** of the power produced is provided to households as defined by Bidders.
 - Average household demand is 4kW.
 - Bidder should provide prices in \$/W and/or \$/MWh, depending on financing structure.
 - Bidder should specify the proportion of upfront purchase contracts funded by cash, and the proportion funded by consumer lending

partners.

B. Households + Anchor

- Prices in this case should be provided under the assumptions that:
 - Bidder is awarded all sites and blends costs across the portfolio to create singular PPA and subscription rates.
 - **40%** of the power produced is delivered to the Anchor Off-taker.
 - **60%** of the power produced is contracted to Household customers, whose profile and contract terms are defined by Bidders.
 - **110%** subscription level maintained for the life of the project, in the form of signed expressions of interest with households.
- Bidder should provide prices in \$/MWh.

C. Households + Anchor with Flexible Backstop

- Prices in this case should be provided under the assumptions that:
 - Bidder is awarded all sites and blends costs across the portfolio to create singular PPA and subscription contract rates.
 - **Between 25-40%** of the power produced is delivered to the Anchor Off-taker.
 - **At least 60%** of the power produced is delivered to Household customers, whose profile and contract terms are defined by Bidders.
 - **110%** subscription level maintained for the life of the project, in the form of signed expressions of interest with households.
- Bidder should provide prices in \$/MWh.

Table 3: Off-taker Definitions

Anchor	An investment-grade MUSH market institution with Aa3 rating to consider a PPA with a term of 20 years.
Flexible backstop	An Anchor Off-taker that is contractually obligated to “flex” their electricity consumption from offsite community solar arrays between predefined floor and ceiling values of power produced.
Households	Homeowners and renters in the Greater Rochester area.

Low- and moderate-income (LMI) household	<ul style="list-style-type: none"> -Income levels < 80% of Area Median Household Income.^{3, 4} -Debt-to-income ratios < 70% -For homeowners, mortgage paid on-time for the past 12 months. No mortgage payments more than 60 days late during the past 24 months. -For renters, no record of eviction in the past 24 months. -Bankruptcies: none in the past 24 months.
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2) Low- and Moderate-Income (LMI)-inclusive Scenario

The LMI-inclusive Scenario invites pricing for up to three cases:

A. Households

- Prices in this case should be provided under the assumptions that:
 - Bidder is awarded all sites.
 - **80%** of the power produced is provided to Bidder-defined households.
 - **20%** of the power produced is provided to low- and moderate-income households, as defined below.
 - Average household demand is 4kW.
- Bidder should provide prices in \$/W and/or \$/MWh, depending on financing structure.
- Bidder should specify the proportion of upfront purchase contracts funded by cash, and the proportion funded by consumer lending partners.

B. Households + Anchor

- Prices in this case should be provided under the assumptions that:
 - Bidder is awarded all sites and blends costs across the portfolio to create singular PPA and subscription rates.
 - **40%** of the power produced is delivered to the Anchor Off-taker.
 - **60%** of the power produced is contracted to Household customers.
 - **At least 20%** of the power produced is contracted to LMI customers as defined in Table 3.
 - **At most, 40%** of the power produced is contracted to other Household customers as defined by Bidders.
 - **110%** subscription level maintained for the life of the project, in the form of signed expressions of interest with households.

³ AMI levels provided here: <https://sites.google.com/site/nymortgagelimits/hud-median-income-limits>. These criteria are modeled on NYSEDA residential financing options: <http://www.nyserda.ny.gov/All-Programs/Programs/Residential-Financing-Options>.

⁴ Note: As Low- and Moderate-Income customers may have moderate to high credit score ratings, despite below-median income levels, Bidders are encouraged to specify credit scores alongside other LMI criteria listed. These should be highly inclusive to reduce burden on customer acquisition process.

- Bidder should provide prices in \$/MWh.
- C. Households + Anchor with Flexible Backstop
 - Prices in this case should be provided under the assumptions that:
 - Bidder is awarded all sites and blends costs across the portfolio to create singular PPA and subscription contract rates.
 - **Up to 40%** of the power produced is delivered to the Anchor Off-taker.
 - For the purpose of providing subscription contract / marketing pricing, it is important to note that the power contracted under Anchor Off-taker PPA may, in this case, be “reassigned” as Anchor Off-taker sees fit to local unrated, non-investment grade C&I and non-profit off-takers. Anchor Off-taker will retain primary responsibility for purchasing power.
 - **At least 60%** of the power produced is delivered to Household customers.
 - **At least 20%** of the power produced is contracted to LMI customers as defined in Table 3.
 - **At most, 40%** of the power produced is contracted to other Household customers as defined by Bidders.
 - **110%** subscription level maintained for the life of the project, in the form of signed expressions of interest with households.
 - Bidder should provide prices in \$/MWh.



City of Rochester

City Hall Room 308A, 30 Church Street
Rochester, New York 14614-1290
www.cityofrochester.gov

Lovely A. Warren
Mayor

August 1, 2016

Dr. Susan Spencer
ROCSPOT
P.O. Box 20499
Rochester, NY 14602

Dear Dr. Spencer:

Thank you for your work in expanding solar options for Rochester's residents and businesses and for educating the larger community on the economic and environmental benefits of utilizing renewable energy. We appreciate your efforts to make Rochester a more sustainable and equitable community through equal access to solar energy.

The City of Rochester is supportive of ROCSPOT's mission to make solar power fair, equitable, democratic, and available to all - including renters and low- and moderate-income households. The City supports job creation through renewable energy and energy efficiency, which in turn will lead to increased incomes, poverty reduction, and equal opportunity. Additionally, increasing the availability of renewable energy helps us meet the challenge of climate change by reducing greenhouse gas emissions.

The City understands that ROCSPOT, in partnership with the Rocky Mountain Institute (RMI), is in the process of developing a Shared Solar program in the City of Rochester, which is intended to increase access to solar power to all members of our community through the development of up to 16 MW of community-scale solar. It is encouraging to see that the steps ROCSPOT and RMI are taking to implement the Shared Solar program, including identifying viable sites, securing property owners' interest, seeking potential institutional power purchasers, and undertaking a competitive procurement process to select a solar developer for these sites, are all well underway.

The City of Rochester's Office of Innovation and Strategic Initiatives is interested in working with ROCSPOT to assist in the creation of a Solar Worker Cooperative, which will be responsible for ongoing project operations and management. We understand that ROCSPOT would train Cooperative employees to perform operations and technical maintenance, ongoing marketing and subscription of these and future projects, and energy efficiency retro-fits.

To support ROCSPOT's Shared Solar initiative, the City will continue to assist ROCSPOT/RMI with solar site selection through identification of potential viable properties for ROCSPOT/RMI to pursue and by providing preliminary environmental site assessments to ROCSPOT, when possible. The City will also consider purchasing power from one or more of the shared solar sites through a power purchase agreement (PPA) with the selected developer, dependent on the pricing, terms, and conditions of the



PPA. Additionally, the City will explore ways to support ROCSPOT's efforts to include low income communities in the shared solar program.

Thank you again for your commitment to bringing shared solar to Rochester, and we look forward to assisting you.

Sincerely,



Lovely A. Warren
Mayor

- c: Norman Jones, Commissioner of Environmental Services
- Henry Fitts, Director, Office of Innovation and Strategic Initiatives
- Anne Spaulding, Energy and Sustainability Manager
- Kieran Coleman, Rocky Mountain Institute

August 3, 2016

Rocky Mountain Institute
29 East 19th Street, 4th Floor
New York, NY 10003

Dear Ladies and Gentlemen:

NY Green Bank Letter of Interest

This Letter of Interest (the “LOI”) confirms interest from the NY Green Bank (“NY Green Bank”), a division of the New York State Energy Research & Development Authority (“NYSERDA”), to potentially provide debt financing for the ROCSPOT Community Solar Project (the “Project”), under which ROCSPOT, facilitated by the Rocky Mountain Institute, is soliciting a Request for Proposal (“RFP”) on behalf of institutions, organizations and households in the Greater Rochester Area to developers who may own, develop and operate the Project. The attached indicative term sheet is being provided for discussion purposes in support of the RFP and any financing provided by NY Green Bank will be subject to due diligence and all internal approvals.

NY Green Bank looks forward to discussing financing terms with the bidders that form part of ROCSPOT’s short-list, as set forth in the RFP, provided that they submit investment proposals through NY Green Bank’s website (please see the link below for proposal submission instructions).

- <http://greenbank.ny.gov/Working-with-Us/Propose-an-Investment>

It is expressly understood and agreed that this letter constitutes only an expression of interest, and not a binding commitment. No party shall be bound to the other unless and until all definitive documents, in form and substance satisfactory to each party, are executed and delivered by each party to the other, in their respective discretion.

NY Green Bank supports community-driven efforts that aim to provide opportunities for renters, homeowners, businesses, and municipalities to subscribe to portions of a community solar project’s generation and looks forward to supporting ROCSPOT’s effort.

Yours truly,



Nicholas Whitcombe
Managing Director
NY Green Bank, a division of NYSERDA

ROCSPOT Community Solar Project

Indicative Summary of Terms and Conditions for permanent financing

This term sheet has been prepared by NY Green Bank (“**NY Green Bank**”), a Division of NYSERDA, for discussion purposes only and does not constitute an offer or agreement by NY Green Bank or commitment by NY Green Bank to enter into a financing agreement. Subject to NY Green Bank’s obligations under the New York Freedom of Information Law (“**FOIL**”), this document and the contents herein are confidential and shall not be revealed to any party that does not have a need to know the contents for the purpose of negotiating and approving a potential financing involving NY Green Bank. The terms set forth herein are not the complete terms and conditions of any financing agreement, and are subject to withdrawal and change at any time.

- Sponsor:** [] (the “**Sponsor**”).
- Borrower:** [FinCo], a holding company that is directly or indirectly owned by Sponsor and owns 100% of HoldCo’s (defined below) [Class B] shares, established for the purpose of financing Community Distributed Generation (“**CDG**”) solar arrays in Rochester, NY that have been placed in service.
- HoldCo:** [[] Fund I] (“**HoldCo**”), a holding company whose [Class A] shares are 100% owned by Tax Equity Investor (defined below) and whose [Class B] shares are 100% owned by Borrower.
- Lender:** NY Green Bank (the “**Lender**”).
- Tax Equity Investor:** [•] (the “**Tax Equity Investor**”), owner of 100% of HoldCo’s [Class A] shares.
- Project Company:** HoldCo will own a special-purpose entity (the “**Project Company**”) established in connection with the development, financing, construction, acquisition, installation, ownership, operation and/or maintenance of [•] CDG solar array installations which, in the aggregate, constitute the Eligible Project (defined below).
- Revenue Contracts:** With respect to the Eligible Project (defined below), the Project Company will enter into one or more power purchase agreements (“**PPA**”), including a fixed-price, escalating 20-year PPA with an investment-grade, municipal off-taker for up to 40% of the Eligible Projects’ aggregate output; remote net metering credit agreements (“**RNMCA**”); or similar documents (each a “**Revenue Contract**”) with Members (defined below). The Revenue Contracts must be the same in all material respects as the forms approved by Lender (material differences subject to Lender’s consent).
- Members:** With respect to the Project Company, the counterparties to the Revenue Contract. Members must satisfy criteria including but not limited to the following:
- i. For residential customers, Sponsor Underwriting Criteria satisfactory to the Lender.
 - ii. For non-residential customers (including municipal, hospital and educational entities), Sponsor Underwriting Criteria satisfactory to the Lender.
- Credit Facility:** A senior secured credit facility (the “**Credit Facility**”) in a principal amount of up to \$15,000,000 to be utilized by the Borrower for financing or refinancing capital costs of the Project Company held through the HoldCo, for financing or refinancing certain equity

investments in the HoldCo. Advances under the Credit Facility will be made under a single note (the “**Note**”).

Pledge Agreement:

The Sponsor and Lender will enter into a pledge agreement (“**Pledge**”) under which Sponsor will (a) pledge (or cause to be pledged) the collateral to Lender, (b) make certain representations and covenants, including a covenant that it will not (i) take any step to commence voluntary/insolvency proceedings with respect to the Borrower, (ii) collude with a creditor to cause the commencement of involuntary bankruptcy/insolvency proceedings with respect to the Borrower (iii) cause an unauthorized Change of Control (as defined below) of the Borrower and (c) indemnify the Lender against any losses arising from the Sponsor’s (x) willful misrepresentation with respect to Borrower or the collateral, or (y) acts of fraud, misappropriation of funds or theft. Sponsor will also agree not to sell or otherwise encumber any pledged equity, or cause Borrower to issue additional equity.

Eligible Project:

Each site to be included in the Eligible Project has satisfied but is not limited to the following criteria:

- i. Located in Rochester, NY and meets the requirements of being a CDG solar project;
- ii. Has completed construction, has been interconnected to the utility grid, and has commenced commercial operation;
- iii. Is subject to an operations and maintenance agreement reasonably satisfactory to the Lender;
- iv. Has obtained all relevant permits and or land use and zoning approvals for the construction of the site;
- v. Meets Tax Equity Investor’s criteria and Lender’s criteria (including, but not limited to relevant permits; zoning approvals; approved panels, racking systems, inverters; has been installed and by approved EPC / Balance of Plant installation contractors; has requisite insurance);
- vi. Has made arrangements with the applicable utility to administer and allocate utility billing credits;
- vii. Has executed Revenue Contracts with Members that represent not less than [95]% of the Eligible Project’s expected production in its first year of operations; and on a continuing basis, not less than [95]% of the trailing twelve months of the Eligible Project’s expected production;
- viii. Non-investment grade or unrated Members (such as Commercial and Industrial) to be no more than [20]% of the Borrowing Base; and
- ix. The Members of the Eligible Project meet the Sponsor’s Underwriting Criteria, which shall be satisfactory to Lender, for (a) residential customers which may, depending on customer type, include evidence of satisfactory prior electric bill repayment, absence of personal bankruptcy or prior defaults, or FICO score; (b) City of Rochester, or any of its agencies; and (c) C&I customers, TBD.

Approved Installers:	Equipment installers may be reviewed by a NY Green Bank-approved independent engineer. An approved list of providers to be agreed upon and included in the loan documents. Additional installers may be approved by Lender.
Approved Equipment Providers:	Equipment providers (and related warranties and performance guarantees) may be reviewed by a NY Green Bank-approved independent engineer. An approved list of providers to be agreed upon and included in the loan documents. Additional providers may be approved by Lender.
Discount Rate:	The greater of [6]% or the weighted average life swap rate plus the Interest Rate Margin (defined below).
Estimated Forward Rates	[•]% of the forward price curves applicable to each class of Member based upon their utility service classification (the “ Estimated Forward Rates ”), updated quarterly, methodology to be determined.
Portfolio Value:	As of any date that the Borrowing Base (defined below) is calculated, the net present value of the expected subscribed cash flows available for debt service of the Eligible Project, discounted at the Discount Rate over 20 years from the [Financial Closing Date]. The expected subscribed cash flows will take into account the lesser of (i) the sum of (A) the electricity rate charged to the Members in the Revenue Contracts for the remaining life of such Revenue Contracts and (B) for the period beyond the Revenue Contracts in place at the time of such calculation, the Estimated Forward Rates and (ii) the Estimated Forward Rates for the aggregate output of the Eligible Projects.
Advance Rate:	The Advance Rate for each class of Member (subject to NY Green Bank’s review of opt-out provisions in the Revenue Contracts): <ul style="list-style-type: none"> i. [60-70]% for residential Members; ii. [80]% for investment grade, C&I or municipal Members; and iii. [60]% for non-investment grade or unrated C&I Members.
Missed Projection Advance Rate	As of any date that the Borrowing Base (defined below) is calculated realized revenues will be compared to forecasted revenues (determined at closing) for the elapsed period. In the event that realized revenues in the elapsed period are at least [•]% less than the forecasted revenues, the Advance Rate will be reduced (“ Missed Projection Advance Rate ”).
Borrowing Base:	The amount available to be drawn under the Credit Facility at any time following the Financial Closing Date will be the Advance Rate multiplied by the Portfolio Value. The Borrowing Base will be determined as of (i) the date of each draw under the Credit Facility and (ii) each Interest Payment Date (defined below).
Use of Proceeds:	The Borrower may use the proceeds of the Credit Facility only for the purpose of financing capital costs in connection with developing, financing, constructing, operating, and maintaining the Eligible Project held by the HoldCo.
Additional Indebtedness:	Neither Borrower, HoldCo, nor Project Company can incur additional indebtedness unless approved by Lender, with customary exceptions.
Financial Closing Date:	TBD.

Availability Period:	The Credit Facility will be available on a multi-draw basis until March 2018 (the “ Availability Period ”).
Facility Maturity Date:	Three (3) years from the end of the Availability Period.
Security:	<p>Subject to Tax Equity Investor consent, to the extent applicable to the HoldCo:</p> <ul style="list-style-type: none"> i. A pledge and perfected first priority lien on 100% of Borrower’s direct or indirect equity interest in the HoldCo (including all of Borrower’s rights under the operating agreement of the HoldCo as member or in any other capacity); ii. A pledge by the Sponsor and perfected first priority lien on 100% of its equity interest in the Borrower, provided that NY Green Bank will forbear from foreclosing on this pledge if the Note is in default (or there is an event of default with respect to the Note); iii. Control over and a lien on the bank account(s) of the Borrower, and following exercise of a Tax Equity buy-out, the HoldCo, ensuring that all distributable cash payments of the HoldCo to the Borrower are deposited in such account(s), as deemed mutually acceptable, and payments are then made in accordance with agreed upon waterfall provisions. iv. Following exercise of a Tax Equity buy-out with respect to the Borrower, a first priority lien in all assets of the HoldCo whether consisting of real, personal, tangible or intangible property.
Interest Rate:	<p>During the Availability Period, the interest rate for the notes under the Credit Facility is a floating rate with a fixed spread to LIBOR, and will equal the sum of the following (the “Interest Rate”):</p> <ul style="list-style-type: none"> i. USD 3-month LIBOR; and ii. [250 - 450] bps (the “Interest Rate Margin”)
Interest Rate Step-Up:	At the end of the Availability Period, the Interest Rate Margin will increase to [•] bps.
Interest Rate Hedging Requirement:	TBD
Reserves:	Including, but not limited to a debt service reserve, operations and maintenance reserve and inverter replacement reserve.
Undrawn Commitment Fee:	[50] bps per annum based on quarterly average undrawn committed amount of the Credit Facility.
Closing Fee:	[150] bps of the total commitment, paid on the Financial Closing Date.
Administration Fee:	The greater of (i) [5] bps of deployed capital or (ii) \$10,000; paid to the Lender annually in advance.
Credit Facility Covenants:	The Credit Facility will include usual and customary Borrower covenants, subject to customary cure periods (if any).
Depository Bank:	A nationally recognized financial institution acceptable to Lender that in the ordinary course of its business maintains deposit and securities

accounts that are pledged as collateral to financing parties and are subject to account control arrangements satisfactory to Lender.

Collections Account Waterfall: Except in the case of a prepayment in whole or during the existence of an Event of Default, Borrower shall instruct the Depository Bank to make payments with respect to each Advance on its respective Interest Payment Date from amounts collected and deposited into the respective borrower collection account of the following amounts in the following order or priority:

- i. Depository Bank fees;
- ii. Any amounts currently due and payable to Lender of fees and charges in connection with the loan documents;
- iii. Borrower's reasonable administrative expenses, including, accounting, billing and legal expenses subject to Lender approval (but in no event will administrative expenses include other fees payable to Sponsor or any entities under its direct control ("**Affiliates**"));
- iv. All accrued and unpaid Interest then due and payable; and
- v. Any Mandatory Prepayment (defined below) amounts, including 100% of any principal outstanding at any time in excess of the maximum outstanding principal balance permitted under the Borrowing Base calculation.

Interest Payment Date: Interest payments will be payable quarterly on all outstanding Advances on March 31, June 30, September 30, and December 31 (each an "**Interest Payment Date**") of each year up to and including the Facility Maturity Date. All outstanding principal, interest, fees and other amounts then owing shall be due and repayable in full on the Facility Maturity Date.

Mandatory Prepayment: The loan documents will contain mandatory prepayment provisions usual and customary for transactions of this type which will require a prepayment, in whole or in part, of the principal amounts (together with all accrued but unpaid fees and interest thereon) outstanding (to be more fully described in the loan documents) as a result of but not limited to the following:

- i. To the extent as of any Interest Payment Date, the outstanding principal amount of the Credit Facility exceeds the Borrowing Base;
- ii. 100% of the receipt of proceeds from any approved sale or transfer of assets of Borrower or HoldCo;
- iii. 100% of the receipt of insurance proceeds or condemnation awards by Borrower or HoldCo;
- iv. Upon an early termination of, or the payment of any termination fee under a Revenue Contract, 100% of such amount; and
- v. Upon acceleration of the amounts outstanding under the Credit Facility upon the occurrence of an Event of Default an amount equal to the aggregate outstanding principal amount of the Credit Facility (together with all accrued but unpaid fees and interest thereon).

Optional Prepayment:

Borrower may repay the Note in whole or in part at any time without penalty.

Distribution Conditions:

Distributions by Borrower shall be permitted to the Sponsor on each Interest Payment Date from available funds after payment of any operating costs of the Borrower and all debt service, subject to the satisfaction of customary and appropriate conditions, including, but not limited to:

- i. No material adverse change or Event of Default (defined below);
- ii. The application of revenue in accordance with the applicable waterfall provisions, which shall include the funding of Reserve Requirements (as defined below); and
- iii. Ensuring that any amounts required to comply with the Borrowing Base, as described above, have been paid.

Conditions Precedent to Closing:

The Credit Facility include reasonable and customary Borrower covenants, subject to customary cure periods, including but not limited to the following:

- i. Negotiation of satisfactory legal documentation, including but not limited to security agreements, legal opinions and certificates, each in form and substance satisfactory to the Lender;
- ii. Lender will have received payment in full for all fees required to be paid, and all expenses for which invoices have been presented, at the Financial Closing Date;
- iii. Receipt of all required corporate consents and approvals required in connection with the Credit Facility;
- iv. Internal investment committee approval of the Lender;
- v. Lender and Borrower have agreed on data delivery requirements (including with respect to energy, environmental and economic benefits); and
- vi. No material adverse change has occurred and no Event of Default has occurred and is continuing.

Conditions Precedent to Advances:

Advances shall not be less than \$[500,000], and shall not occur more frequently than once per month. The conditions precedent to each Advance under the Credit Facility will be usual and customary for transactions of this type including but not limited to the following:

- i. Completion of Lender's (and its applicable third party consultants' and advisors') technical, business, financial, legal and environmental due diligence (including compliance with the State Environmental Quality Review Act), the results of which are satisfactory to the Lender;
- ii. After giving effect to such Advance, Borrower shall be in compliance with the Borrowing Base;

- iii. No continuing Event of Default (defined below) before or after giving effect to such Advance and compliance with all covenants;
- iv. All representations and warranties shall be true and correct;
- v. Liens creating a first priority security interest in the collateral in favor of Lender shall have been perfected;
- vi. Each Revenue Contract or other material project document shall be substantially in the form approved by NY Green Bank; and
- vii. Borrower shall have paid or reimbursed NY Green Bank for all fees and costs associated with such Advance, including reasonable legal fees and fees of other consultants or advisors, for which invoices have been presented.

Events of Default:

Usual and customary for a transaction of this type (including customary exceptions, cure periods and materiality thresholds), bankruptcy, certain cross defaults, loss of collateral, failure of security documents, breach of representations, warranties and covenants, no Change of Control (defined below) and others deemed appropriate by the Lender as a result of Lender's due diligence review before the Financial Closing Date.

Change of Control:

Any of the following will be deemed a "Change of Control":

- i. A termination of Sponsor as the manager of Borrower; without the consent of Lender, in its sole discretion;
- ii. Any change in Sponsor's ownership interests in Borrower; and
- iii. Any change in Borrower's ownership interests in HoldCo, without the consent of Lender, in its sole discretion.

Servicer Replacement

Lender will reserve the right to replace the O&M service provider and/or the subscription manager, subject to certain performance metrics to be determined.

Exclusivity:

During the Availability Period, Borrower and Sponsor agree that they (and their respective Affiliates) will term finance the entirety of the Eligible Project exclusively within this Credit Facility (other than financing by the Tax Equity Investor).

Governing Law:

New York State.

Impact Reporting – including Energy, Environmental and Economic Development:

Sponsor acknowledges that Lender is required to report estimated and quarterly actual GHG emissions, energy and other data and will provide such data to Lender.

Annex I – Sponsor’s Investment Guidelines

[To Be Discussed]

Annex II – Sponsor’s Underwriting Criteria

[To Be Discussed]

Appendix E: Anchor Off-taker Indicative PPA Terms

These indicative terms do not contain or represent all conditions of a proposed PPA between Bidder and Anchor off-taker. Final terms and conditions will be negotiated by the Parties and only execution and delivery of the PPA will represent a binding agreement between Parties.

I. General	
Parties	Anchor off-taker (“Buyer”) and Bidder. RMI/ROCSPOT will select one winning Bidder (“Seller”). Seller(s) will enter into bilateral PPA(s) directly with Buyer.
Utility	Rochester Gas & Electric
Product	Electrical energy produced from the projects.
Total Contract Quantity	40% of the net electrical output of the project. Pending outcome of associated RFP process.
Purchase and Sale	Seller agrees to sell and Buyer agrees to buy the product during the Term.
Project	The completion of all development activities, including permitting, financing, designing, procuring, and constructing community solar projects, as well as their ongoing operation, maintenance, replacement and decommissioning, all of which are the Seller’s responsibility.
Distributed Generation Regulations	Those upfront and ongoing requirements as specified by the New York Public Service Commission, i.e. those described within the Remote Net Metering program and other applicable regulations, to be completed by Seller.
Utility Community Distributed Generation (CDG) Operating Agreement	Those contractual upfront and ongoing requirements associated with Utility coordination of CDG program, including bill crediting and management, to be executed between Seller and Utility.
Environmental Attributes	NYSERDA is the owner of all Environmental Attributes.
Environmental Incentives	MW Bloc Incentives provided by NYSERDA will be allocated to Seller.
Taxes	Buyer shall either pay or reimburse Seller for any and all taxes assessed on the generation, sale, delivery or consumption of Product, including Property taxes, unless Seller fails to generate the volume of energy contracted to Buyer, with the exception of Seller’s Income taxes.
II. Operations & Performance	

Operations and Maintenance	Seller is responsible for operations and maintenance to ensure system production, safety, and compliance with NERC and other applicable guidelines.
Forecasting	Seller will provide annual energy forecast to Buyer.
Output Guarantees	80% of the projected annual energy; below 80%, Seller must pay Buyer for deficient power costs; below 70%, Buyer may terminate PPA for default.
Product Reassignment	Seller may reassign some portion of Total Contract Quantity to other customers of Seller.
Product Reassignment Quantity	A volume of Product not exceeding the Total Contract Quantity that the Seller may re-assign to other off-takers under mutually-agreed upon Product Reassignment Obligations and Conditions, in an amount mutually-agreed upon with the Buyer, and in accordance with Product Reassignment Process and Product Reassignment Period.
Product Reassignment Period	The time period over which which Product Reassignment Quantity will be allowed.
Product Reassignment Process	The technical means by which Product Reassignment Quantity and Product Reassignment Period are to be executed.
Product Reassignment Obligations and Conditions	The level of discretionary authority by which Seller may perform Product Reassignment, to be negotiated with Buyer.
Monthly Charges	Buyer shall pay Seller monthly for Product, minus Product Reassignment Quantity, delivered to POD at the negotiated \$/MWh rate.
Monthly Invoices	Seller shall invoice Buyer monthly, either manually or through ACH or other payment methodology to be determined.
Bill Crediting	As Per Utility CDG Operating Agreement, the process by which Utility will be responsible for crediting the Bill of participating Buyer, in the amount of Product communicated to Utility by Seller, consistent with each Monthly Invoice.
III. Delivery / Interconnection	
Point of Delivery (POD)	High-end of step-up transformer.
Standard Interconnection Requirements (SIR)	Seller is responsible for meeting all terms and conditions of the New York State SIR, including all pre-application and CESIR application processes, allocation of roles and responsibilities with Utility, and phasing of payments consistent with the most

	recently revised SIR.
Interconnection Costs	Seller is responsible for all interconnection costs. Seller is responsible for provision of metering, SCADA and communication equipment to provide real-time and settlement data to Utility. Seller is responsible for project being AGC-compatible.
IV. Timeline, Commissioning, Operation & Seller Conditions	
Milestones	Construction start (all applicable approvals and permits secured and in place), delivery of equipment, delivery of step-up transformer, completion of interconnection applications and facilities, system testing, synching to grid, and commercial operation.
COD Deadline	March 1, 2018
Conditions to Seller Obligation	Seller obligations described in PPA agreement are conditioned on meeting the following conditions: physical inspection of site locations, including geotechnical work and real estate due diligence, as applicable; confirmation that Seller will obtain all relevant tax credits; receipt of all zoning, building, and land use permits, execution of SIR; execution of Utility CDG Operating Agreement; Buyer demonstration of all proof of insurance necessary under final agreement.
Failure of Conditions	If any of these conditions are not met in the necessary dates to meet COD Deadline, Parties will act in good faith to negotiate new dates for the satisfaction of the failed conditions.
Maintenance of Facilities	Seller shall at its sole cost and expense maintain the Project in good condition and repair.
V. Term, Price, Transfer of Ownership, System Removal	
Term	Twenty years from Commercial Operation Date (COD).
Contract Energy Price	Pricing for energy delivered to the POD post-COD
Assignment / Change of Control / Change of Operator	Buyer must be informed with at least 60 days notice of any intended change in ownership.
Right of First Offer of Sale	Seller must give Buyer first right of project purchase. Buyer must respond within 90 days to such offer. If Buyer does not wish to purchase the project, Seller may offer the project on no more favorable terms and conditions to a 3 rd Party.
Option to Purchase	Seller grants Buyer option to purchase project

	during the term at Fair Market Value. Seller will provide fair value purchase options as part of final PPA bid package.
System Removal at Expiration	Seller is responsible for removing the system at the end of PPA. Seller or designated party shall remove the System and System Assets from the Premises at System Owner's expense within one hundred twenty (120) days after the expiration of the Term. To the extent that System Owner removes any or all of the System and System Assets, System Owner shall make or have made any repairs to the Premises to the extent necessary to repair any adverse impact such removal directly causes to the Premises.
VI. Legal/ Risk	
PPA Contract	PPA may be executed on contract provided by Bidder as long as contract includes all pre-specified and mutually agreed upon terms.
Fair Market Value	The amount that would be paid in an arm's length, free market transaction, for cash, between an informed, willing seller and an informed willing buyer, neither of whom is under compulsion to complete the transaction, taking into account, among other things, the age, condition and performance of the System and advances in solar technology, provided that installed equipment shall be valued on an installed basis, shall not be valued as scrap if it is functioning and in good condition and costs of removal from a current location shall not be a deduction from the valuation.
Governing Law	PPA shall be governed by the laws of the State of New York.
Termination/ Remedies	Upon the occurrence of an event of default, the non-defaulting Party may declare a date upon which PPA will terminate.
Force Majeure	Standard force majeure provisions including exceptions for events or circumstances that are not considered force majeure.
Insurance	Seller's responsibility to maintain insurance and satisfy certain minimum insurance requirements.
Security Amount and Form	Those payments required by Utility consistent with Utility CDG Operating Agreement, to be provided by Seller.

Appendix F: Bid Assumptions Sheet

Assumptions described on this sheet should be used for all cost and production estimates.

Development assumptions

- Taxes
 - Property taxes: solar exempt in City of Rochester & Monroe County
 - Sales taxes: 4% for purchases and uses in Monroe County
- Zoning
 - Assume this will be performed by local municipalities
- Interconnection
 - Assumed costs to be associated with CESIR applications per site: \$30,000
 - Upgrades: Bidders should not include expected interconnection upgrades in their Bid responses to this RFP.

Siting assumptions

- Site pricing and general conditions
 - See Appendix F: Site Information Sheet and footnotes
- Site type
 - Brownfields
 - Ames & Driving Park sites should plan to use ballasted systems. Ames may be purchased or leased, in which cases the current property owner would hold environmental liability.
 - Greenfields
 - All other sites should use the soil type provided, and assume any bedrock is outside the range of necessary subsoil activity, i.e. pile driving.
- Site utilization
 - Bidder-specified site utilization for those sites with additional host capacity area
- Site maps
 - <http://tinyurl.com/zxqx3x4>

Basic System Assumptions

- System type & design
 - Bidder-specified fixed or single axis system on Tab 7. *Cost Input*
 - Medium voltage runs of 500 feet for each site
- System production
 - Module Tilt (for fixed axis systems): 25 degrees
 - Azimuth: 180 degrees (south facing)
 - Soiling Loss: 4%
 - Resource files for Rochester production estimate:
 - NREL TMY2 files available for Rochester here:
http://rredc.nrel.gov/solar/old_data/nsrdb/1961-1990/tmy2/State.html
 - Albedo

Jan	0.43
Feb	0.76
Mar	0.53
Apr	0.22
May	0.20
Jun	0.20
Jul	0.20
Aug	0.20
Sept	0.20
Oct	0.20
Nov	0.38
Dec	0.68

Appendix G: Site Information Sheet

LOCATION & IDENTIFICATION				SIZE		FINANCIAL TERMS					SITE CONDITIONS & LOGISTICS				
Address	City/Town	Zoning	Location	Acres	Use Partial?	Annual Lease Rate**	\$/Acres-Yr	Term (years)	Sale Price	\$/Acres	Soil type	Fenced	Flatbed Access	Average Slope	
1 Gillett Rd & Shepard Rd	Ogden	Pre-identified for C&I development & zoning	Suburban	87.0	No				1,044,000	12,000	Sand or silty sand	No	No	NS 1.9% EW 0.6%	
2 222 Jefferson Rd	Brighton	M-1 (Industrial)	Suburban	80.0	No				800,000	10,000	Clay, sandy clay, silty clay	No	Yes	NS 1.9% EW 3.9%	
3 95 Ames St	Rochester	M-1 (Industrial)	Urban	14.5	No	75,000	5,172	10	695,000	47,931	Concrete	Yes	Yes	NS 0.5% EW 0%	
4 190 Phillips Rd	Webster	Residential	Suburban	43.0	No				595,000	13,837	Clayey silt, silt, Sandy silt	No	Yes	NS 1.8% EW 1.5%	
5 200 Lagrange Ave	Rochester	M-1 (Industrial)	Urban	13.8	Yes	55,200	4,000	10			Clayey silt, silt, Sandy silt	No	Yes	NS 0.97% EW 2.1%	
6 523 Moul Rd	Parma	Residential	Suburban	50.9	Yes	19,000	373	10			Clayey silt, silt, Sandy silt	No	Yes	NS 3.3% EW 2.0%	
7 1349 Redman Rd	Hamlin	Residential	Suburban	103.6	Yes	39,368	380	10			Clayey silt, silt, Sandy silt	No	Yes	NS 3.3% EW 0.6%	
8 1926 Harris Rd	Penfield	Residential	Agricultural	23.4	No	37,500	1,603	20			Clayey silt, silt, Sandy silt	No	Yes	NS 4.4% EW 0.6%	
9 666 Driving Park	Rochester	Pre-identified for C&I development & zoning	Urban	10.0	No				150,000	15,000	Concrete	Yes	Yes	NS 0.5% EW 0%	

In addition to those terms provided above, the following should be considered:

- Option to extend: All lease terms come with an option to extend at 10 years (where relevant) and 20 years.
- Lease step up: All lease rates feature a 1.5% step-up every 5 years of the 20-year term.
- Partial site use: This term describes whether or not participating landowners interested in parcel sale would or would not be willing to offer part of their site to Bidders. Bidders should prepare Bids accordingly.
- Final negotiation: Site prices are subject to final negotiation between the selected Bidder and property owner.

All signed Letters of Intent and additional information on brownfield sites will be provided to Bidders upon indicating Intent to Participate.

Appendix H: Community Reinvestment Act Consideration

For lenders subject to the Community Reinvestment Act (CRA), note that participation in this program may provide CRA credit. At present, loans and investments used to finance “green” initiatives such as community-scale solar power projects do not necessarily qualify for positive consideration under the CRA. However, if the project has a primary purpose of community development it may result in positive CRA consideration if the lender’s geographic requirements are also satisfied. A project where a majority of the dollars or beneficiaries meet one or more enumerated community development purposes is considered to have a primary purpose of community development. Enumerated community development purposes include:

- Community services targeted to low- or moderate-income individuals;
- Activities that promote economic development by financing certain small businesses; and
- Activities that revitalize or stabilize low- or moderate-income geographies, disaster areas, or designated distressed or underserved non-metropolitan middle-income geographies.

Bank regulators have confirmed loans that enable energy initiatives that help to reduce the cost of operating or maintaining affordable housing, even if the benefit to residents is indirect, qualify for consideration as community development loans.

Bank regulators have also confirmed that (i) loans or investments in a New Markets Tax Credit community development entity (CDE) are presumed to promote economic development and, therefore, should qualify for CRA consideration; (ii) such loans and investments will receive the same presumption if they are made in CDEs to help finance solar energy facilities, and (iii) such loans and investments will receive the same presumption even if they are structured to take advantage of the energy Investment Tax Credit in addition to the New Markets Tax Credit.

In addition to these factors relative to the project itself, the size of lender, its geographic footprint, and its history and plan to satisfy CRA requirements may all factor into a determination as to whether a particular loan or investment receives positive consideration under the CRA. We suggest that lenders for whom CRA qualification is a requirement to participate consult knowledgeable counsel on the matter, such as the firm that RMI consulted, DLA Piper LLP (US).