

REQUEST FOR PROPOSALS FOR SOLAR HOME RENEWABLE ENERGY CREDIT (SHREC) MONETIZATION

Proposals Due: February 2, 2018, 5:00 PM EST

I. PURPOSE

The Connecticut Green Bank (“Green Bank”) is seeking proposals from qualified partners (“Respondent”) to provide a financing solution that will monetize residential Renewable Energy Credits (“RECs”) generated under the Green Bank’s Solar Home Renewable Energy Credit (“SHREC”) program, which was approved with bipartisan support by the Connecticut State Legislature and signed by the Governor¹.

Under a statutorily required Master Purchase Agreement (“MPA”, MPAs are identical except for utility name, Attachment One) between the Green Bank and Connecticut’s two investor-owned utilities (Eversource and United Illuminating, collectively the “Utilities”), the Green Bank aggregates RECs generated from solar PV systems participating in its Residential Solar Incentive Program (“RSIP”) into annual tranches, and sells those REC tranches to the Utilities at a fixed, predetermined price over a 15-year tranche lifetime. (To distinguish renewable energy credits generated under the RSIP from residential solar PV systems placed in service prior to January 1, 2015, renewable energy credits for qualifying residential PV systems placed in service on or after January 1, 2015 are referred to as “SHRECs”.) Green Bank intends to monetize the stream of SHREC revenue under the MPA in its entirety or on a tranche by tranche basis.

SHREC revenues are an opportunity to purchase a secure, contracted 15-year stream of payments payable to the Green Bank from the Utilities, which are investment-grade counterparties with a statutory mandate to purchase SHRECs for the entire 15 year buy-down term for each tranche. Meanwhile, exchanging the stream of SHRECs for liquidity (either immediately or at pre-determined milestones) will allow the Green Bank to fund the incentives offered under the RSIP and to recover RSIP program costs, thereby enabling a sustainable revenue stream to permit the Green Bank to continue its mission to catalyze growth in Connecticut’s renewable energy industry. The timing of this initial tranche offering is expected to be H1 2018, and may continue on an annual basis through 2022 depending on the success of this first tranche and Green Bank liquidity needs.

¹ The SHREC legislation can be found at Conn. Gen. Stat. §§ 16-245ff and 16-245gg.

II. GREEN BANK BACKGROUND

The Green Bank was established by Connecticut's General Assembly on July 1, 2011 as a quasi-public agency that superseded the former Connecticut Clean Energy Fund. The Green Bank's vision is to lead the green bank movement by accelerating private investment in clean energy deployment for Connecticut in order to achieve economic prosperity, create jobs, promote energy security, and address climate change. The Green Bank's mission is to support the Governor's and Legislature's energy strategy to achieve cleaner, cheaper and more reliable sources of energy while creating jobs and supporting local economic development. As the nation's first "green bank", the Green Bank leverages public and private funds to drive investment and accelerate clean energy deployment in Connecticut. For more information about the Green Bank, please visit www.ctgreenbank.com.

III. PROGRAM BACKGROUND

a. Residential Solar Incentive Program (RSIP)

Connecticut's RSIP is a declining block incentive designed by the Green Bank in 2011 to help meet the state's Renewable Portfolio Standard goals and deploy 30 MW of new residential PV installation. The RSIP program was quickly oversubscribed, meeting the state's 30 MW deployment target in 2014, eight years ahead of schedule. As a result, a new deployment target of 300 MW by 2022 was initiated with the passage of Public Act 15-194.

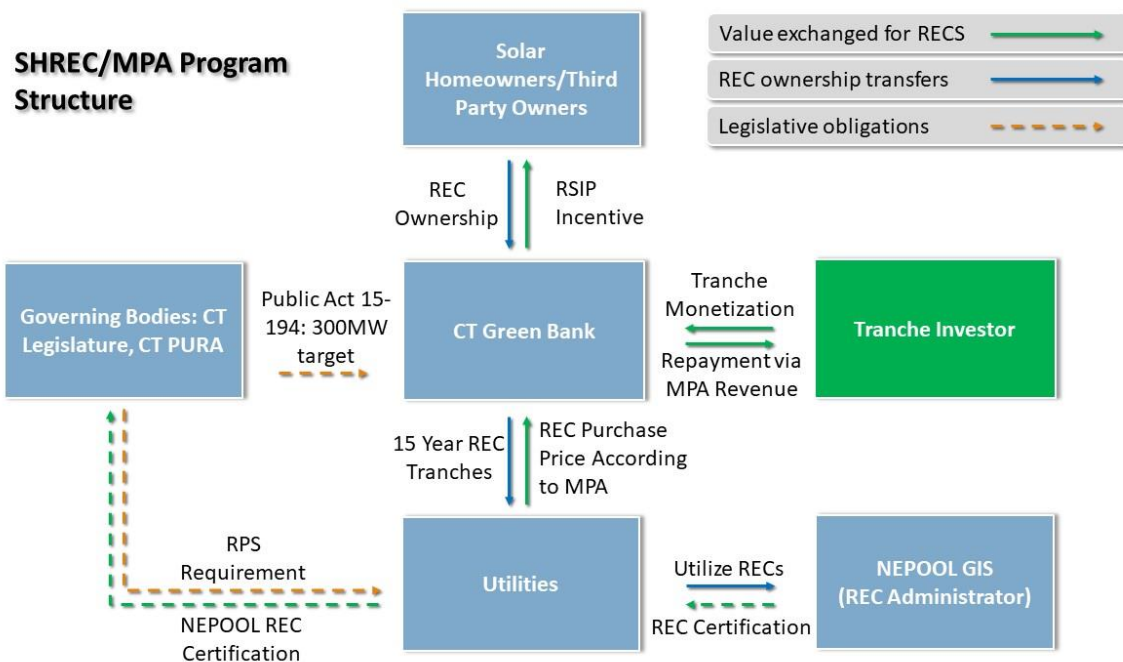
Under the RSIP, the Green Bank provide two types of incentives:

- Homeowners that own their own system are eligible for an Expected Performance Based Buydown ("EPBB") incentive as a \$/W installed upfront cost reduction for system purchases;
- Third-party system owners ("TPOs") may receive a Performance-Based Incentive ("PBI") for systems leased to homeowners (or for PPA systems) consisting of quarterly payments for 6 years based on actual system performance.

In exchange for the incentives described above, the Green Bank is assigned all rights, title and interest to the SHRECs and any other environmental attributes generated by homes participating in the RSIP program. To continue to meet the state's demand for residential solar and funding the RSIP program, the Connecticut Legislature established the SHREC program to enable the Green Bank to easily and reliably monetize the stream of RECs generated from RSIP systems.

b. SHREC Program

Under the SHREC program, the Utilities are statutorily mandated to enter into 15-year contracts with the Green Bank to purchase the respective tranche of SHRECs generated by solar PV systems receiving the RSIP incentive. The agreement is governed by the MPA, which was jointly filed and approved by the CT Public Utilities Regulatory Authority (“PURA”) (see appendix for a summary of the MPA). Each year of newly installed solar PV systems constitute a tranche of SHRECs. The Utilities are obligated (by statute and the MPA) to purchase each new tranche of SHRECs for the 15-year delivery term of each tranche, at a price fixed at the time the tranche is sold to the Utilities. Under [PURA Docket No. 16-05-07](#), PURA has guaranteed the Utilities cost recovery for the program via a statutorily-protected component of electric rates. A detailed explanation of the program structure is included below.



During installation of a residential solar PV system in the RSIP Program (“SHREC System”) qualified solar contractors or third-party owners like SolarCity or SunRun apply for the RSIP incentive via the Green Bank. Upon determining the system meets eligibility criteria, the Green Bank grants either an EPBB or PBI incentive to the applicant. In exchange, the Green Bank is assigned all rights, title and interest in the SHRECs and any other environmental attributes generated by the SHREC System. As further explained in the appended contract summary, the Green Bank will register SHRECs with NEPOOL GIS through their standard REC creation process, and once registered these SHRECs will reside in the Green Bank’s NEPOOL GIS account. The Green Bank will then transfer SHRECs to the Utilities via NEPOOL’s Forward Certificate Transfer process at the price agreed upon in the MPA. The Utilities are then

required to transfer payment electronically to the Green Bank by the final business day of the month following the SHREC transfer (i.e., every quarter during the life of each tranche as the RECs are produced by the related solar PV systems). As SHREC generation will occur quarterly following the NEPOOL GIS REC creation process, detailed further in the MPA contract summary and included as Attachment Two, the stream of payments from the Utilities to the Green Bank will be quarterly as well.

The MPA will allow both the Green Bank and the Utilities to accomplish certain legislative goals – specifically, the Green Bank’s goal of 300 MW of residential solar deployment by 2022 and the Utilities’ compliance with Connecticut’s renewable portfolio standard (or “RPS”) target. Only residential solar PV systems with incentives from the Green Bank approved on or after January 1, 2015 are eligible for the SHREC program; with approximately 56 MW of residential solar PV installed prior to January 1, 2015 under the RSIP, there is a maximum of approximately 244 MW of SHREC-eligible residential solar PV that can be deployed.

The final element in the SHREC structure enables the Green Bank to monetize a tranche with a tranche Investor or financing counterparty. The MPA provides for collateral assignment of the revenue streams associated with SHREC generation without consent of the Utilities as it relates to financing the future revenue stream of the SHRECs. The SHREC statute and MPA provided for these features specifically and the intent is to allow the Green Bank to monetize the SHRECs anticipated cash flow streams. The MPA requires the Green Bank to continue to execute all obligations to the Utilities as the seller of SHRECs in the event of such collateral assignment, and will merely pass on the revenue streams associated with SHREC generation to the assignee.

The program automatically terminates at the earliest of 300 MW of CT residential solar PV deployment or December 31, 2022, so there will be at most six tranches of SHREC and no new tranches will be created for post-December 31, 2022 systems. However, each utility’s obligation to purchase SHRECs will continue until each and every Tranche sold to the utilities has run its 15-year course.

The First tranche, with a tranche Delivery Term Start Date (as defined in the MPA) of January 1, 2017, consists of 6797 SHREC Systems representing a total “nameplate” capacity of 47.18 MW and was executed by the Green Bank and the Utilities as of July 1, 2017. Assuming an average capacity factor of 13% across the tranche 1 portfolio, these systems can be expected to generate roughly 53.7 MWh of electricity in their first year of operation. Taking into effect an annual rate of degradation of one-half percent and a Tranche Purchase Price (as defined in the MPA) of \$50/MWh, the Green Bank projects gross SHREC revenues of \$38.7M over the 15 year term of the first tranche.² The aggregation of these SHREC Systems in the first Tranche was approved

² These figures are estimates of production only and no guarantee of ultimate performance is offered, granted, suggested or implied.

by PURA in May of 2017 through Docket Nos. 16-08-45, 17-03-37, 17-03-38, 17-03-39, 17-03-40, and 17-03-41.

IV. SCOPE OF SERVICES

Given the long-term, highly secure, and predictable nature of SHREC revenue, the Green Bank is issuing this RFP to secure a financing solution with the goal of meeting SHREC-related costs and obligations including incentive payments and administrative overhead, and enhancing the Green Bank's mission to accelerate clean energy deployment in Connecticut. We are seeking a solution that may include a securitization or other structured finance products. Credit enhancement or production assurance (by the Green Bank or others) may be available through this competitive RFP.

Given that one of our goals is to "develop and implement strategies that bring down the cost of clean energy in order to make it more accessible and affordable to consumers," the Green Bank expects that an important aspect of the winning RFP will be a cost-effective financing arrangement while achieving Green Bank goals.

While initially envisioned to be a monetization of the first Tranche, the Green Bank will seek a solution that would allow for the monetization of future tranches as needed.

Underwriting services shall include but may not be limited to the following:

- Capital markets advice including prospective cost of capital, advance rate, and ratings strategy.
- Investor research and outreach.
- Guidance through the Rating Agency process.
- Support through a Green Bond Certification process.
- Bridge financing (potentially combined with a "mini-perm" facility) to facilitate the orderly monetization of SHRECs utilizing a public issuance or private placement of securities.
- Engage other applicable third parties necessary for product development.
- Placement of monetized SHREC product with investors or other structured finance solution.

V. SUBMISSION CRITERIA & OTHER REQUIREMENTS

Respondents will be assessed based on the following items in their response. Evidence or description of ability to provide these items should be clearly addressed within the response to this RFP.

- a. Ability to perform the above scope of work
- b. Economic profile of the structure (e.g., flow of funds, timing of structural elements (such as bridge financing, expected cost of capital to be realized, advance rate, etc.))
- c. Efficient structuring and transaction costs

- d. Ability to source Connecticut-based investors with strategic value to the Green Bank
- e. Ability to meet Green Bank's desired timeline of a realization of proceeds by 15 May 2018
- f. Ability to optimize the above criteria based on the credit enhancements described below under Product Optimization. Specifically, respondents should provide estimates of the increased value the Green Bank might achieve via inclusion of any or all of the suggested enhancements
- g. Experience with clean energy securitizations and green bonds.

Work Experience & Capabilities

Respondent should also include information on the following, demonstrating applicable work experience:

- Number and size of similar products for which the respondent has provided underwriting services in the past
- Length of time respondent has been providing underwriting services for ABS products
- Location of offices that would be involved in partnership with the Green Bank
- Resumes of key personnel anticipated to support SHREC underwriting
- Relevant ABS underwriting references for either firm or key personnel involved

Product Optimization

The Green Bank's expertise includes the provision of various credit enhancements used to mitigate risk, decrease cost of capital, and generally enable novel financial structures for renewable energy investments. To that end, the Green Bank is open to exploring the following options for enhancing the credit of a SHREC monetization product:

- Maintenance of Reserve Accounts
- Subordination via class-based structuring of product
- Inclusion of production insurance covering 95% of the P50 production level
- Overcollateralization

In addition to the above credit enhancements, the Green Bank encourages respondents to include suggestions for alternative forms of credit enhancement so as to maximize the economic benefit to the Green Bank while minimizing risk to the organization.

Flexibility with regards to timing of cash flows is an additional point of interest for the Green Bank. Therefore, the ability to flexibly draw upon the proceeds of a given tranche monetization or to hold the proceeds off the Green Bank's balance sheet in an escrow or other account until needed is attractive to the Green Bank. Please address respondent's ability to provide these services in your response.

VI. RFP MILESTONES AND TIMING

Submission Process

Each respondent shall carefully examine this RFP and any and all amendments, exhibits, revisions, and other data and materials provided with respect to this RFP process. Respondents should familiarize themselves with all proposal requirements prior to submitting their proposal. Should the respondent require clarifications or wish to request interpretations of any kind, the respondent shall submit a written request electronically to mike.yu@ctgreenbank.com by January 12, 2018. The Green Bank shall respond to such written requests in kind and may, if it so determines, disseminate such written responses to other prospective respondents.

The following requirements must be observed for all proposals:

- a. Proposals must be received no later than **5:00pm Eastern Time on February 2, 2018**. Proposals received after the aforementioned date and time will not be considered.
- b. Proposals must be submitted electronically at the following email address: mike.yu@ctgreenbank.com. The subject line should be identified as: "SHREC RFP Response".
- c. The Green Bank reserves the right to request an interview, supplemental information, and/or clarification from respondents as deemed necessary.
- d. Key Dates:

Project Milestone	Estimated Date
RFP Released	December 19, 2017
Clarification Questions Due	January 12, 2018
Webinar Q&A Session	January 16, 2018
RFP Responses Due	February 2, 2018
Respondent Award Notification	February 16, 2018 (estimated)

Proposal Format

The following format should be followed in order to provide Green Bank with a working basis on which to compare one proposal with another. Each of the elements within this outline is expected to be addressed in any submitted proposal. However, additions may be made where necessary for purposes of clarification or amplification.

1. The response must contain a cover letter addressed to the Green Bank, signed by an officer of the firm or an individual authorized by the firm to commit the firm to the contents of the response. The cover letter should include the following information:
 - a. Respondent Information:
 - i. Name of Respondent

- ii. Business address of headquarters and Connecticut office(s), if applicable
 - iii. Respondent's main contact name, title, telephone number and e-mail address
 - iv. Acknowledge receipt, completion and submission of required Legal and Policy Attachments; and
 - v. A statement that the Respondent has thoroughly reviewed the RFP and acknowledges compliance with the requirements of the RFP and accepts all terms and conditions included in the RFP.
2. Executive summary outlining the proposed structure
 - a. Include a capital flow chart
 - b. Include a proposed milestone table
3. Key structuring and economic terms including bridge facility (if applicable), mini-perm facility (if applicable), cost of capital, advance rate, use of credit enhancement, costs, etc.
4. Capital markets strategy including ratings approach, investor outreach, and placement strategy.
5. General background of your organization, including experience on analogous deals the firm has completed. Describe your firm's institutional and retail marketing capabilities, including number, location, and type of offices or facilities that your firm maintains nationally and in the State. Describe any specialized business segments that your firm can bring to the Green Bank's transaction.
6. Provide a summary of qualifications for each of the individuals in your firm who would be assigned to the deal.
7. Description of any litigation, pending judgments, etc., which could affect the proposer's ability to enter into an agreement with Green Bank. A description of the circumstances involved in any defaults by the proposer. If you have been subjected to any outside audits in the past three years, state by whom the audit was performed, for whom, the facility involved, and the results of the audit.
8. Examples of other certified green financings/securitizations in which the firm has been involved.
9. Other: include in the proposal any other information you may deem relevant or helpful in Green Bank's evaluation of the proposal.

VII. GENERAL TERMS AND CONDITIONS

If Respondent elects to respond to this RFP, submission of your proposal assumes the acceptance of the following understandings:

1. The Green Bank reserves the right to reject any or all of the proposals received in response to the RFP, to waive irregularities or to cancel or modify the RFP in any way, and at any time the Green Bank chooses, in its sole discretion, if the Green Bank determines that it is in the interest of the Green Bank.
2. The Green Bank further reserves the right to make awards under this RFP without discussion of the proposals received. Proposals should be submitted on the most favorable terms from a technical, qualifications, and price standpoint. The Green Bank reserves the right not to accept the lowest priced proposal.
3. Proposals must be signed by an authorized officer of the Respondent. Proposals must also provide name, title, address and telephone number for individuals with authority to negotiate and contractually bind Respondent, and for those who may be contacted for the purpose of clarifying or supporting the information provided in the proposal.
4. The Green Bank will not be responsible for any expenses incurred by any proposer in conjunction with the preparation or presentation of any proposal with respect to this RFP.
5. The Green Bank's selection of an Respondent(s) through this RFP is not an offer and the Green Bank reserves the right to continue negotiations with the selected Respondent(s) until the parties reach a mutual agreement.
6. **Respondent will execute a Professional Service Agreement (PSA) as set forth in the attached Exhibit A. If the Respondent does not agree with any of the specific terms set forth in the PSA, the Respondent must set forth such terms and rationale in your response to this RFP. The Respondent may also add to the PSA additional terms specific to the proposed business relationship.**

THE GREEN BANK IS SUBJECT TO THE REQUIREMENTS OUTLINED IN SECTIONS 16-245N OF THE CONNECTICUT GENERAL STATUTES. THE GREEN BANK SHALL HAVE NO LIABILITY OR OBLIGATION OF ANY SORT HEREUNDER, INCLUDING, WITHOUT LIMITATION, IF FOR ANY REASON OR NO REASON A BINDING AGREEMENT IS NOT ENTERED INTO WITH ANY PROPOSER. IN MAKING ITS SELECTION OF A SUCCESSFUL BIDDER, THE GREEN BANK MAY CONSIDER ANY AND ALL FACTORS AND CONSIDERATIONS WHICH GREEN BANK, IN ITS SOLE DISCRETION, DEEMS RELEVANT, THE RELATIVE IMPORTANCE OF WHICH SHALL BE IN THE SOLE DISCRETION OF THE GREEN BANK.

VIII. ATTACHMENTS & APPENDICES

a. List of Attachments

1. Master Purchase Agreements (MPAs are identical except for name of the utility)
2. NEPOOL GIS Operating Rules
3. Green Bank RSIP Terms and Conditions
4. Executed Confirmations for Tranche 1 (Tranche Confirmations are identical except for name of the utility and system details)
5. Previous Three Years of CT Green Bank CAFRs

b. Appendices

Illustrative Economics

Master Purchase Agreement Summary

RSIP Program Eligibility Criteria

Appendices

Illustrative Economics

Tranche	Effective Date	Total Forecasted Revenue @ \$40/SHREC	Total Forecasted Revenue @ \$45/SHREC	Total Forecasted Revenue @ \$50/SHREC
One	1/1/2017	\$30,974,642.97	\$34,846,473.34	\$38,718,303.71
Two	1/1/2017	\$27,585,082.99	\$31,033,218.36	\$34,481,353.73
Three	1/1/2018	\$22,224,167.58	\$25,002,188.52	\$27,780,209.47
Four	1/1/2019	\$23,493,588.76	\$26,430,287.35	\$29,366,985.95
Five	1/1/2020	\$25,539,480.01	\$28,731,915.01	\$31,924,350.01
Six	1/1/2021	\$24,422,268.29	\$27,475,051.83	\$30,527,835.37

Master Purchase Agreement Contract Summary³

GENERAL TERMS	
Seller	Connecticut Green Bank
Buyers	Connecticut Light and Power Company dba Eversource Energy; United Illuminating Company
Buyer's Percentage Entitlement	80% of the SHRECs created within each Tranche for Eversource; 20% for United Illuminating. The Utilities are severally liable under the MPA – they are each responsible only for their Buyer's Percentage Entitlement. Eversource, for example, will not be required to purchase the remaining 20% of SHRECs set aside for United Illuminating in the event United Illuminating is unable to purchase its 20% Buyer's Percentage Entitlement.
Effective Date	February 7, 2017
Product	Solar Home Renewable Energy Credits (SHRECs), each representing one MWh of solar electricity generated on or after January 1, 2015, and qualifying for Connecticut Class I REC status. Individual SHRECs will be aggregated into Tranches following the Tranche Definition described below
Tranche Purchase Price	The purchase price agreed upon on a per SHREC basis for a particular Tranche. \$50.00 per SHREC as of the Effective Date, and may be different for each subsequent tranche, declining commensurate with the RSIP as applicable. Tranche Purchase Price is capped at the lesser of i) small ZRECs prices for the preceding year and ii) the price of the alternative compliance payment pursuant to CGS Section 16-425(k) less five dollars (which amounts to \$50)
Term	The Buyers' obligation to enter into Master Purchase Agreements commences on the Effective Date, and expires at the earlier of a) 255.4 MW of aggregate SHREC Projects (the Energy Act's 300MW target less the amount of projects approved and installed under the RSIP program prior to 2015) or b) December 31, 2022.

TRANCHE TERMS & PROCESS	
Tranche Definition	For any given year, all SHRECs generated by SHREC Projects not included in a prior tranche, and start producing SHRECs in time to be included in the specified year's Trading Period for first quarter generation. The 2017 Tranche will include all SHRECs with an NEPOOL creation date of July 15, 2017, for example, and all SHRECs generated by the associated systems for 15 years thereafter. See Creation Date & Trading Period below for further explanation of the NEPOOL GIS rules
SHREC Project	A qualifying Solar PV Project that: <ol style="list-style-type: none"> i) Receives funding from the Green Bank ii) Is Certified by the CT PURA as a Class I renewable energy source iii) Emits no pollutants iv) Is on the customer side of the meter of a 1-4 family home v) Is interconnected to the distribution system

³ In case of ambiguity, please rely on the attached Master Purchase Agreements. This summary is provided as a convenience and is for explanatory purposes only.

	vi) Is capable of producing RECs
Contract Year	For any Tranche Delivery Term, the 12 calendar months starting on the Tranche Delivery Term Start Date and each subsequent 12 calendar month period during such Tranche Delivery Term
Tranche Delivery Term	The fifteen-year period beginning on the Tranche Delivery Term Start Date during which the buyer is obligated to purchase all SHRECs generated by SHREC projects in a particular Tranche. Following the 2017 example above, this would include all RECs generated after January 1 st , 2017 by the systems included in the 2017 Tranche.
Tranche Delivery Term Start Date	January 1 of a Tranche year
Tranche Confirmation	Confirmation executed by both Buyer and Seller detailing SHREC Projects included in the Tranche, aggregate capacity of such projects, the Tranche Delivery Term Start Date, and the Tranche Purchase Price. Seller and Buyer will execute Tranche Confirmation for each Tranche

SHREC CREATION PROCESS	
NEPOOL GIS	The New England Power Pool Generation Information System, a database and certificate system for electricity generated within New England
Creation Date	Per Rule 2.1 of the NEPOOL GIS Operating Rules: RECs are created quarterly on the 15th day of the calendar quarter that is the second calendar quarter following the calendar quarter in which the Energy associated with a Certificate was generated. Certificates from energy generation occurring in Q1 of a calendar year will then be created on July 15 th of the same year, for example
Trading Period	Per Rule 3.2 of the NEPOOL GIS Operating Rules: Aside from trading occurring under Forward Certificate Transfers, each REC is transferrable from its Creation Date through 15 days prior to the end of its Creation Date quarter. From the above example, such RECs would be eligible for trades from July 15 th through September 15 th
Forward Certificate Transfer	The NEPOOL GIS process by which the transfer of SHRECs are scheduled, in advance of their Creation Date, by the owner. After being scheduled in advance, the trade is completed during the Trading Period as defined above. The Green Bank intends to execute the majority of its trades via Forward Certificate Transfer.
Metering	SHREC projects must be located behind the meter of a distribution customer of one of the electric distribution companies (i.e., the Utilities) in Connecticut. Each SHREC Project must have a separate meter dedicated to SHREC measurement, the "REC Meter"

SELLER'S OBLIGATIONS & REPRESENTATIONS	
Seller's Obligations <i>(1) Delivery</i> <i>(2) Residual Delivery</i> <i>(3) Exclusivity</i> <i>(4) NEPOOL GIS Rules</i>	(1) Seller shall sell and deliver Buyer's Percentage Entitlement of the SHRECs for a particular Tranche (2) Seller is obliged to sell Buyer all SHRECs generated by a particular Tranche's SHREC Projects beyond the 15-year term of the MPA at no cost, for as long as a SHREC Project continues to generate SHRECs

<p>(5) <i>Prerequisites</i> (6) <i>Cooperation</i></p>	<p>(3) Seller must deliver Buyer’s Percentage Entitlement exclusively to Buyer, and shall not transfer or assign SHRECs or environmental attributes to anyone other than Buyer except as specified in Section 9.2</p> <p>(4) Seller must comply with all NEPOOL GIS operating rules, and maintain NEPOOL GIS and ISO-NE accounts required to store and deliver SHRECs</p> <p>(5) Seller is responsible for verification of all pre-requisites to sale</p> <p>(6) Seller shall provide Buyer with any necessary information and support to achieve regulatory and corporate approvals. However, seller shall not incur costs in excess of \$100k per year to support this effort, unless Buyer agrees in writing to reimburse seller for an agreed-upon portion of the costs</p>
<p>Seller Collateral Assignment Rights (Section 9.2)</p>	<p>Seller has the right to collaterally assign, mortgage, pledge, grant security interests, or otherwise encumber its interests (including but not limited to the right to receive payments) in the MPA to any lender in connection with a financing only pursuant to Section 9.2.</p>
<p>Seller’s Representations</p>	<p>As of the Effective Date, Seller has all necessary power and authority to execute its obligations under the MPA. The execution of these obligations does not violate any of the terms of the Seller’s governing documents, and has been duly authorized. To Seller’s knowledge, there is no pending or threatened litigation or administrative proceeding that materially adversely affects Seller’s ability to execute its obligations under the MPA. Seller is not bankrupt and there are no proceedings pending or being contemplated which could result in bankruptcy.</p> <p>Additionally, upon delivery, Seller warrants that title to any and all of the SHRECs and environmental attributes delivered to Buyer are delivered free of any encumbrances. Upon delivery, Seller represents and warrants to Buyer that is has sold the SHRECs exclusively to the Buyer and such SHRECs have not expired.</p>

<p>BUYER’S OBLIGATIONS & REPRESENTATIONS</p>	
<p>Buyer’s Obligations (1) <i>Purchase</i> (2) <i>Section 9.2 Assignment Rights</i></p>	<p>(1) Buyer shall purchase and receive Buyer’s Percentage Entitlement of the SHRECs for a particular Tranche</p> <p>(2) Buyer consents to the Seller’s obtaining financing secured by all revenues paid or to be paid to Seller under the MPA. Buyer agrees that in an event of default, collateral assignee will be entitled to exercise rights and remedies of Seller. Buyer agrees that collateral assignee will have the right but not the obligation to cure any default on the part of Seller, unless the assignee has succeeded to Seller’s obligations under the MPA. Buyer agrees to execute any consents to assignment and provide a written acknowledgement within twenty days of written request</p>
<p>Buyer Cost Recovery</p>	<p>Seller and Buyer acknowledge that the Buyer’s costs associated with the MPA and the amounts to be paid for SHRECs are premised upon the CT PURA’s approval of full cost recovery by the Buyer. If the CT PURA or other agency of appropriate jurisdiction prohibits full cost recovery of the Buyer, Buyer may reduce its obligation to pay Seller to the extent of the diminished cost recovery.</p>
<p>Buyer SHREC Utilization Rights</p>	<p>Buyer has the right to utilize, resell or convey SHRECs and environmental attributes at its sole discretion. If the statutory and regulatory framework governing SHRECs is amended or suspended following Tranche Confirmation,</p>

	Buyer may choose to qualify SHREC projects in another state or federal program
Buyer's Representations	As of the Effective Date, Buyer has all necessary power and authority to execute its obligations under the MPA. The execution of these obligations does not violate any of the terms of the Buyer's governing documents, and has been duly authorized. To Buyer's knowledge, there is no pending or threatened litigation or administrative proceeding that materially adversely affects Buyer's ability to execute its obligations under the MPA. Buyer is not bankrupt and there are no proceedings pending or being contemplated which could result in bankruptcy

COMMON TERMS	
Delivery and Title Transfer	Delivery occurs when transfer and receipt via NEPOOL GIS to the account maintained by the buyer is complete. Seller shall effect the transfer to Buyer's account via a Forward Certificate Transfer, and upon receipt all rights, title and interest in SHRECs will transfer to Buyer
Payment (1) <i>Timing</i> (2) <i>Disputes</i> (3) <i>Late Payment</i>	<p>(1) Payment for SHRECs delivered will be due on the last business day of the month following the month during which such SHRECs were delivered. Seller shall render an invoice to Buyer by the 15th day of the month following the SHREC delivery month</p> <p>(2) Either disputing party must notify the other in writing, and can elect to withhold payment pending resolution of the dispute. Withheld amounts will accrue interest in the same manner as late payments (see below) on any amounts determined to have been properly billed. If Buyer seeks clarification from the CT PURA on uses or cost recovery methods for SHRECs, interest will not accrue during the period pending clarification. There will be a 24-month statute of limitations on new disputes for any particular payment.</p> <p>(3) Interest on late payments will bear interest from and including the due date and will be calculated at the current date's Federal Funds Effective Rate</p>
Prerequisites for Purchase	Buyer's obligation to purchase SHRECs for any particular Tranche is contingent upon satisfaction of all of the following: <ul style="list-style-type: none"> i) Buyer has received a final decision of approval from the CT PURA as well as corporate approval ii) Tranche Confirmations have been executed iii) Seller has provided and Buyer has accepted notice certifying a) all applicable projects have begun generation, b) the Tranche Purchase Price, and c) the SHREC projects qualify for CT Class I REC status
Assignment	Except as permitted in Section 9.2, the MPA may not be assigned without written consent of the other party and without regulatory approval. Such consent may not be unreasonably withheld, conditioned, or delayed. When assigned, no assignment shall release the assignor from its obligations under the MPA without the written consent of the other party.
Failure to Obtain Regulatory Approval	If either party receives from the CT PURA a final decision that invalidates a provision of the MPA other than one which impacts the transfer of SHRECs or Buyer's Cost Recovery, a) the remaining provisions of the MPA remain in full force and effect and b) Buyer and Seller will endeavor in good faith to replace the invalid provisions with provisions that preserve the economic effects and fundamental rights of the parties under the MPA.

<p>Events of Default</p> <ol style="list-style-type: none"> 1) <i>Material Breach</i> 2) <i>Falsification of Reprs and Warranties</i> 3) <i>Bankruptcy</i> 	<p>An Event of Default under the MPA has occurred when:</p> <ol style="list-style-type: none"> (1) A party breaches any of its obligations and a) does not cure within ten business days of written notice from the non-breaching party or b) does not cure its obligation within twenty business days after notice, following a ten-day extension for diligent work (2) A representation or warranty made by a party proves false in any material respect (3) A party becomes bankrupt
<p>Remedies</p>	<p>Non-defaulting party may:</p> <ul style="list-style-type: none"> • Pursue rights and remedies as may be available in law and equity • Withhold any payments due in respect of the MPA up to the extent of its damages • Terminate the agreement subject to the limitations of Early Termination • Suspend performance of its obligations with regards to transfer of SHRECs until such event of default is cured
<p>Early Termination</p>	<p>Buyer will not exercise any right terminate or suspend the MPA unless it has given the defaulting party (Seller or assignee) prior written notice of its intent and the defaulting party has not caused the defaulting condition to be cured within 15 days after the later of a) Buyer’s notice or b) the expiration of the applicable periods of grace provided under the MPA. If such default cannot be reasonably cured by the defaulting party within 15 days, the cure period will be extended for a reasonable period of time not to exceed 15 days (for an aggregate 30-day cure period).</p>
<p>Force Majeure</p>	<p>Force Majeure events include, generally: 1) Political instability events such as riot, war, compulsory acquisition or acts of terrorism; 2) Ionizing events such as contact with nuclear waste or radiation; 3) Natural disasters such as earthquakes or fires; 4) Strikes or industrial disputes</p> <p>Force Majeure events do NOT include: 1) Curtailment arising from mechanical or equipment failure attributable to wear and tear; 2) Financial hardship, including events that merely increase cost to one of the parties; 3) Seller’s ability to sell SHRECs at a price greater than the Tranche Purchase Price 4) Buyer’s ability to purchase SHRECs at a price lower than the Tranche Purchase Price</p>
<p>Severability</p>	<p>If any portion of this agreement is held or judged invalid, illegal or unenforceable, then such portion will be deemed separate, severable and independent of the MPA. The remaining portions of the MPA will remain in full force and effect.</p>
<p>Governing Law</p>	<p>Agreement is interpreted and governed by the laws of Connecticut</p>

RSIP Program Eligibility Criteria

Service Territory

Eligible customers must be located within the service territory of United Illuminating or Eversource Energy. Customers in Connecticut Municipal Electrical Energy Cooperative (CMEEC) territories are not eligible for the RSIP.

Eligible Contractors

RSIP Eligibility depends largely on the experience level of the contractor performing the solar installation. The requirements for qualifying as an Eligible Contractor are below:

- Completion of Connecticut's applicable occupational and professional licensing programs, such as E-1, PV-1, and/or HIC licenses.
- At least one permanent employee of the Eligible Contractor must satisfy the Green Bank's North American Board of Certified Energy Practitioners (NABCEP) training requirement by achieving a passing score on the NABCEP Entry Level PV exam
- Eligible contractors must have been responsible for the coordination and installation of at least three (3) PV systems (Primary Installs), or must have worked as an apprentice on at least six (6) PV systems (Apprentice Installs)
- Completed Contractor Application
- Bank Reference Letter verifying financial solvency and health
- Resumes for company individuals directly involved in the program, whether through installation or administration
- Subcontracting agreements for any company used to install solar PV under the RSIP program
- Customer References. Applicants who have prior experience installing PV systems as an apprentice or primary installer must provide a list of up to six (6) prior PV customers and associated contact information
- Workmanship Warranty of at least five years, covering all components of the PV system against breakdown or degradation in electrical output of more than 10% from the original rated electrical output. Additionally, the warranty must cover full costs of labor for repair or replacement of any defective PV system components
- General Liability Insurance of at least one million dollars

Third Party System Owners

If an RSIP system will be owned by a third party rather than a homeowner, in addition to the contractor requirements stated above there are further requirements for the third-party owner (TPO).

- Copies of all Agreements with Eligible Contractors for installation of solar PV systems
- Lease and/or PPA Contract Terms. The Green Bank will review all form leases and PPAs to ensure inclusion of the following in standard agreements:
 - Company License
 - Home Improvement Salesperson License

- Monthly or per kWh price, including escalator
- Inclusion of first year generation estimate
- Performance guarantee, transferability terms, warranty, and buyout if applicable
- Estimated system size
- Equipment make & model
- Clear statement of all terms subject to change
- Provision of final design before construction
- Green Bank RSIP Terms and Conditions (Attachment Three)

PV System Eligibility Criteria

- Must be installed on 1-4 family owner-occupied primary residence homes with a residential electric service rate in United Illuminating (UI) or Eversource Energy (Eversource) service territories
- Owner-occupied 2-4 family properties are only eligible for one PV system that is interconnected to the homeowner's service and meter
- Eligible homes participating in the RSIP must have a Home Energy Solutions (HES) or equivalent energy efficiency audit performed on their home prior to final EPBB disbursement or initial PBI disbursement
- All PV equipment must be new and all systems must be grid-tied
- Incentive shall only apply for the first twenty (20) kW of installed capacity or a PV system
- All applicable PV system components must utilize commercially available PV technologies listed on the California Energy Commission (CEC) web site: www.gosolarcalifornia.org/equipment
- All PV systems must comply with applicable federal, state and local law, regulation, code, licensing, permit and inspection requirements, including but not limited to the Connecticut Building Code and the National Electric Code (NEC). All components must be UL listed (or equivalent) where applicable