



**Hawaiian
Electric**

DRAFT

REQUEST FOR PROPOSALS

FOR

RENEWABLE DISPATCHABLE GENERATION

AND

ENERGY STORAGE

ISLAND OF O‘AHU [HAWAI‘I]

MARCH 5, 2024

Docket No. 2024-XXXX

This DRAFT Request for Proposals (“RFP”) intends to seek input from prospective Proposers and other stakeholders through upcoming meetings with renewable energy developers and community stakeholders in order to address input received and foster a robust competitive process. A proposed RFP will then be submitted to the State of Hawai‘i Public Utilities Commission (“Commission”) for approval and is subject to further changes based on direction received from the Commission. After approval by the Commission, Hawaiian Electric Company, Inc. and Hawai‘i Electric Light Company, Inc. will issue the final RFP specific to each island.

This draft is written for O‘ahu but where requirements differ for Hawai‘i island, they are [bracketed with Hawai‘i island’s requirements shown]. When the first draft of the RFPs are filed with the PUC, they will be separated into an O‘ahu RFP and a Hawai‘i RFP.

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Chapter 1: Introduction and General Information

Hawaiian Electric Company, Inc. (“Hawaiian Electric”) [Hawai‘i Electric Light Company, Inc. (“Hawai‘i Electric Light”)] (or the “Company”)¹ seeks proposals to acquire variable renewable dispatchable generation, renewable firm capacity, and energy storage through this Request for Proposals (“RFP”), as defined further in Section 1.2.² Hawaiian Electric will target the acquisition of renewable dispatchable generation, renewable firm capacity and/or energy storage in a manner consistent with the IGP Report, defined below.³

The Company seeks five general types of projects in this RFP: 1) new variable renewable dispatchable generation projects (with or without energy storage systems),⁴ 2) new standalone energy storage projects, 3) new firm renewable dispatchable generation projects, 4) Proposals from existing renewable generation projects, or existing fossil fuel projects that convert to a renewable source, for new terms after the expiration of their current agreements, and 5) Proposals from existing renewable generation projects adding energy storage systems.⁵

Through this RFP, the Company intends to contract any variable renewable dispatchable generation projects using its Model Renewable Dispatchable Generation Power Purchase Agreement (“RDG PPA”),⁶ which treats variable generation facilities as fully dispatchable; any firm⁷ dispatchable generation projects using its Model Firm Renewable Dispatchable Generation Power Purchase Agreement (“Firm PPA”); and any standalone energy storage projects using its Model Energy Storage Purchase Agreement (“ESPA”). Collectively, these model purchase agreements are referred to as the “IGP Contracts” and separately as an “IGP Contract”.⁸ If a proposed Project utilizes a technology that is not encompassed by the IGP Contracts provided, the terms of the applicable IGP Contract will be modified to address the specific technology

¹ Hawaiian Electric Company, Inc., Maui Electric Company, Limited, and Hawai‘i Electric Light Company, Inc. are each doing business as “Hawaiian Electric” and have jointly registered “Hawaiian Electric” as a trade name with the State of Hawai‘i Department of Commerce and Consumer Affairs, as evidenced by Certificate of Registration No. 4235929, dated December 20, 2019.

² Procurement fulfillment will be dependent on the types of Proposals received in this RFP. The Company may consider selecting Proposals that will provide additional energy and other services in excess of or less than the targeted amounts depending on whether such Proposals demonstrate benefits to customers and meet the needs of the grid.

³ This RFP will also seek to acquire any amount targeted but not procured from the Company’s previous Stage 3 RFPs.

⁴ Any photovoltaic (“PV”) projects must be paired with an energy storage component.

⁵ Proposers of existing generation projects proposing to add an energy storage component with grid forming capability may submit a bid even if the term of their current PPA expires after the target Guaranteed Commercial Operations Date (“GCOD”) of this RFP. However, if selected, such Proposers will be required to execute an applicable IGP Contract.

⁶ The Company offers a Model PV+BESS RDG PPA version for PV paired with energy storage and a Model Wind+BESS RDG PPA version for wind paired with energy storage. If a generation-only wind project is proposed, the BESS-specific provisions will be removed from the Model Wind+BESS RDG PPA.

⁷ For “firm” generation projects, other than during periods of outage and deration, up to 100% of the project’s contract capacity is available at any time for Company dispatch, independent of source energy resource availability.

⁸ Herein, the term “IGP Contract” will be used generically to refer to the applicable purchase agreement for that technology (i.e., PV+BESS RDG PPA, Wind+BESS RDG PPA, Firm PPA, or ESPA).

and/or component.⁹ All selected Proposals will provide service to the Company pursuant to the terms of an applicable IGP Contract, which will be negotiated between the Company and Proposer, and also subject to review and approval by the State of Hawai'i Public Utilities Commission ("PUC" or the "Commission"). Proposers are instructed to thoroughly review the respective IGP Contract, attached as Appendix J, K, L, and M, that represents the technology of their proposed Project. The structure of the RDG PPA, Firm PPA and ESPA intends to provide monthly payments to the Proposer by the Company (e.g., Lump Sum Payment, Capacity Charge payment), based upon the availability of the energy potential or contract capacity, as applicable, of the Facility, regardless of the actual energy dispatched.¹⁰ In exchange, the Company maintains full dispatch control of the Facility as needed. Under the RDG PPA, Firm PPA and ESPA, each Facility must meet certain requirements to receive the full Lump Sum Payment/Capacity Charge payment (as applicable) each month. The Firm PPA also permits Proposers to include a separate monthly Energy Charge payment. Variable RDG PPA projects may not propose a separate Energy Charge payment. These requirements ensure that each facility is available to the Company for dispatch to meet system needs. The Company intends to use all Projects selected for the Final Award Group in accordance with the performance and dispatchability requirements described in each applicable IGP Contract.

The Company will evaluate Proposals using the evaluation and selection process described in Chapter 4. The Company will evaluate and select Proposals based on both price and non-price factors that impact the Company, its customers, and communities affected by the proposed Projects.

The number of Proposals that the Company may accept from this RFP depends on, among other things, the quality and cost-effectiveness of Proposals received in response to this RFP; economic comparison to other RFP responses; updates to the Company's forecasts; transmission and distribution availability; and changes to regulatory or legal requirements. If attractive Proposals are received that will provide energy and other services in excess of the targeted amounts, the Company will consider selecting such Proposal(s) if benefits to its customers are demonstrated. Similarly, the Company may, in its sole discretion, opt to select Projects that, combined, fall below the targeted amounts.

All requirements necessary to submit a Proposal are stated in this RFP, including its appendices.

All capitalized terms used in this RFP shall have the meaning set forth in the glossary of defined terms attached as Appendix A. Capitalized terms that are not included in Appendix A shall have the meaning ascribed in this RFP.

⁹ Proposers shall contact the Company if there is any uncertainty as to which IGP Contract most closely aligns with a Proposer's intended technology.

¹⁰ Firm proposals may include an Energy Charge payment component in addition to the Capacity Charge payment component. The Energy Charge payment would be based on actual production and delivery of energy to the grid. The Firm PPA allows the Company dispatch rights and does not guarantee Seller any amount of energy will be delivered to the Point of Interconnection. In the event that the Company does not accept any energy at the Point of Interconnection, the Company will not pay any Energy Charge payment. An Energy Charge payment may not be proposed for any Variable RDG project.

1.1 Authority and Purpose of the Request for Proposals

This RFP is consistent with the Revised Framework for Competitive Bidding (“Revised Framework” or “Revised Competitive Bidding Framework”), which was approved for use in the first round of integrated grid planning by Order No. 38481, issued on June 30, 2022, in Docket No. 2018-0165.

1.2 General RFP Information

- 1.2.1 Consistent with the findings of the Company’s Integrated Grid Plan, filed in Docket No. 2018-0165 on May 12, 2023 and the Supplemental Response filed on November 15, 2023 (collectively, the “IGP Report”), the primary purpose of this RFP is to stabilize rates and advance energy equity, grow the marketplace for large-scale renewables, create a modern and resilient grid, and secure reliability.

This RFP is the first in a series of rolling procurements, designed to align with the Integrated Grid Plan Preferred Plans (available at <https://hawaiipowered.com/igpreport/>). Subject to PUC approval of this RFP, subsequent issuance(s) of this RFP will not require further approval unless significant substantive changes are introduced. The Company intends to issue subsequent iterations of this RFP approximately fourteen (14) months after the issuance of the prior RFP, following a notification filing and thirty (30) day notice period.

[Drafting note: The targets specified in Sections 1.2.1 and 2.1.1 of this RFP are not final and subject to revision. The targets are under continuing review and may be adjusted upward or downward, and may include the addition of other needs.]

Rolling Procurement	Project GCOD	O‘ahu	Hawai‘i	Maui
Round 1	No later than December 1, 2029	Energy: 589 GWh Stability: 270 MW grid forming resources	Energy: 134 GWh	N/A
Succeeding Round(s)	No later than December 1, 2033	Energy: 232 GWh, plus remaining Round 1 needs, plus consideration for other projects withdrawn in previous procurements	TBD, based on remaining Round 1 needs plus consideration for other projects withdrawn in previous procurements	Energy: 176 GWh plus consideration for other projects withdrawn in previous procurements

- 1.2.2 Projects that are not selected to the Final Award Group for the first issuance of this RFP, or choose to withdraw from this RFP, are not precluded from resubmitting the proposed Project for consideration in a subsequent issuance of this RFP.
- 1.2.3 Prospective proposers with Projects that may not be ready for immediate development due to a longer technology development period or projects with long-lead infrastructure requirements (e.g., new transmission lines or substations, or upgrades to existing transmission or substations that will not meet this RFP's stated GCOD requirement) are invited to participate in a future long-term RFP.
- 1.2.4 In addition to the RFP documents, Proposers should review the IGP Report, as well as related resources, available at www.HawaiiPowered.com. The IGP Report informs Proposers of the modeling analysis that was performed to develop the recommended grid needs and shape the basis of this RFP, including the manner in which the modeling software chose to dispatch resources based on System need.
- 1.2.5 Section 2.1.1 describes the grid needs sought as part of this RFP. The needs were primarily determined based on the IGP Preferred Plan for O'ahu [Hawai'i island]. The Company made minor adjustments to the Preferred Plan to reflect actual projects acquired through the Stage 3 RFP and energy from facilities that have power purchase agreements that will expire in the near future. O'ahu needs prior to 2035 are based on unmet energy needs from the O'ahu Stage 3 RFP that were assumed to be procured in the Preferred Plan, as well as existing PPAs set to expire prior to 2035. [As the Stage 3 RFP for Hawai'i island yielded more than the targeted energy, the needs for Hawai'i island are only based on existing PPAs set to expire prior to 2035.] Transmission needs identified in the Integrated Grid Plan are also included in this RFP. The Company intends to seek needs targeted for 2035 in the Preferred Plan in a separate RFP for long-term resources that require extended project development time or long-lead infrastructure to complete (i.e., new transmission lines or substations, or upgrades to existing transmission or substations).

Section 8 of the IGP Report provides information to Proposers on the grid needs of the System, including how new resources acquired through this RFP may be dispatched and used to provide grid services. Proposers can use this information to design their Project to better fit within the resource portfolio.

The modeling analyses conducted in the IGP Report show that new resource additions were selected including variable renewables, firm renewables, and storage to meet grid needs identified in future years and is not focused on any particular technology. Therefore, acquiring sufficient resources needed to meet grid needs set forth in the IGP Report will be dependent on the final resource mix selected. As described in this RFP, during the detailed evaluation, modeling will be performed to assess how grid needs are met by the resources in the final selected portfolios.

- 1.2.6 Each Proposal submitted in response to this RFP must represent a Project that meets the requirements of this RFP without having to rely on the completion or implementation of

any other Project or system upgrade outside the scope of its Proposal, or without having to rely on a proposed change in law, rule, or regulation.

- 1.2.7 Each Proposer must agree to provide Project financial information, including proposed Project finance structure information as specified in Appendix B. Such information will be used to evaluate Threshold Requirements and Non-Price Criteria (e.g., Financial Compliance, Financial Strength and Financing Plan, Project Development and Schedule) set forth in Sections 4.3 and 4.4.2. The Company may request that Proposers selected to the Final Award Group provide further detailed cost information if requested by the PUC or the Division of Consumer Advocacy (“Consumer Advocate”) as part of the IGP Contract approval process. If requested, such information would be provided to the PUC, Consumer Advocate, and the Company pursuant to a protective order in the docket.
- 1.2.8 The Proposer agrees that no material changes or additions to the Facility from what is submitted in its Proposal will be made without the Proposer first having obtained prior written consent from the Company. Evaluation of all Proposals in this RFP is based on the information submitted in each Proposal at the Proposal Due Date. If any Proposer requests any Proposal information to be changed after that date, the Company, in consultation with the Independent Observer and/or Independent Engineer (if applicable), and in consideration of whether the evaluation is affected, will determine whether the change is permitted.
- 1.2.9 If selected, Proposers will be responsible for all costs throughout the term of the IGP Contract, including but not limited to all project development costs, completion of an Interconnection Requirements Study (“IRS”), the cost of conducting a greenhouse gas (“GHG”) emissions analysis, land acquisition, e.g., site control, permitting, financing, construction of the Facility and all Interconnection Facilities including system upgrades, all fuel to operate the Facility, and the operation and maintenance (“O&M”) of the Facility and Interconnection Facilities. Payments to the Company for the IRS and GHG emissions analysis, and all other costs payable to the Company, must be made by the Seller in the negotiated IGP Contract, and not a parent or affiliate company.
- 1.2.10 If selected, Proposers will be solely responsible for the decommissioning of the Project and the restoration of the Site upon the expiration of the IGP Contract, as described in Attachment G, Section 7 of the RDG PPA, Firm PPA or ESPA.
- 1.2.11 If selected, Proposers shall pursue all available applicable federal and state tax credits (including, without limitation, all available applicable tax credits from the federal Inflation Reduction Act). Proposal pricing must be set to incorporate the benefit of such available federal tax credits. In the event additional federal tax credits become available through new tax legislation after Proposals are submitted but before Proposals are selected to the Final Award Group, the Company may require applicable Proposals propose an additional downward only price adjustment to allow the benefits of those additional tax credits to be passed along to the Company’s customers.

However, to mitigate the risk on Proposers due solely to potential changes to Hawai‘i state’s tax credit law before a selected Project reaches Commercial Operations, Proposal

pricing shall be set without including any state tax credits. If a Proposal is selected, the IGP Contract for the Project will require the Proposer to pursue the maximum available state tax credit and remit tax credit proceeds to the Company for customers' benefit as described in Attachment J of the RDG PPA, Firm PPA, or ESPA. The IGP Contract will also provide that the Proposer will be responsible for payment of liquidated damages for failure to pursue such maximum available state tax credit.

- 1.2.12 Proposers are expected to have their permitting requirements addressed and provide a realistic project schedule in their Proposals reflecting the anticipated time necessary to complete all permitting requirements. If selected, Proposers will submit project schedules as required pursuant to Attachment S of the IGP Contract, including creating their schedules using Microsoft Project and submitted in .mpp file format, along with the pdf copy. Demonstrating there is a reasonable expectation the Project will reach GCOD and demonstrating the Company-Owned Interconnection Facilities (“COIF”) costs are sufficient are Threshold Requirements in Section 4.3.
- 1.2.13 Any existing projects must meet all of the terms of this RFP, including agreement to use the applicable IGP Contract attached hereto. Existing projects not proposing an increase in project capacity, however, will still maintain the right to use their existing point(s) of interconnection but may require potential upgrades and/or replacements to their present interconnection facilities to meet current interconnection requirements.¹¹ Existing projects are also required to provide a detailed explanation and timeline or schedule of plans to repower the Facility, as stated in Appendix B, Sections 2.2.4 and 2.14.

1.3 Competitive Bidding Framework

Consistent with the Revised Framework, this RFP outlines the Company's requirements in relation to the resources being solicited and the procedures for conducting the RFP process. It also includes information and instructions to prospective Proposers participating in and responding to this RFP.

1.4 Role of the Independent Observer and Independent Engineer

- 1.4.1 Part III.C.1 of the Revised Framework sets forth the circumstances under which an Independent Observer is required in a competitive bidding process. Unless otherwise determined by the Commission, the Independent Observer will advise and monitor all phases of the RFP process and will coordinate with PUC staff throughout the RFP process to ensure that the RFP is undertaken in a fair and unbiased manner. In particular, the Company will review and discuss with the Independent Observer decisions regarding the evaluation, disqualification, non-selection, and selection of Proposals.

¹¹ Sections 2.1.11, 2.3, and Appendix H interconnection cost applications may not apply to existing projects currently interconnected and operating on the Company System. Please contact the Company via the RFP Email Address in Section 1.7 to seek clarification on what is specifically required for an existing project. For example, if an existing facility does not increase the capacity that its existing facility currently generates and does not propose any difference to their facility technology, then the Company could maintain an exception to the single point of failure requirement within Section 2.1.12. An IRS is required for any existing project in order to ensure the proposed Project conforms with current interconnection standards and to identify any upgrades that may be required.

- 1.4.2 The role of the Independent Observer, as described in the Revised Framework, will include, but is not limited to:
- Monitor all steps in the competitive bidding process
 - Monitor communications (and communications protocols) with Proposers
 - Monitor adherence to the Company’s Code of Conduct
 - Submit comments and recommendations, if any, to the PUC concerning the RFP
 - Review the Company’s Proposal evaluation methodology, models, criteria, and assumptions
 - Review the Company’s evaluation of Proposals
 - Advise the Company on its decision-making
 - Participate in dispute resolution as set forth in Section 1.8
 - Monitor contract negotiations with Proposers
 - Report to the PUC on monitoring results during each stage of the competitive bidding process
 - Provide an overall assessment of whether the goals of the RFP were achieved

An Independent Engineer will be engaged by the PUC for this RFP. The Independent Engineer will provide technical expertise to oversee matters related to interconnection in the RFP process. The Independent Engineer’s role will include, but not be limited to:

- Review the Company’s requirements and standards for interconnection
- Review the interconnection documents provided by Proposers in their Proposal
- Participate in discussions with the Company and Proposers over interconnection requirements, scope, and cost
- Verify any one-time Net Energy Potential RFP Projection adjustment allowed in Section 2.1.18
- Review requirements imposed on Proposers that have interconnection cost implications
- Review system available MW capacity information to Proposers to ensure accuracy
- Oversee dispute resolution as it relates to interconnection-related issues
- Investigate and review interconnection-related costs from the Proposers

- 1.4.3 The Independent Observer for this RFP is: **[TBD]**
The Independent Observer Email Address: **[TBD]**

The Independent Engineer for this RFP is: **[TBD]**
The Independent Engineer Email Address: **[TBD]**

1.5 Communications Between the Company and Proposers

- 1.5.1 Communications and other procedures under this RFP are governed by the “Code of Conduct Procedures Manual” developed by the Company as required by the Revised Framework, and attached as Appendix C (the “Procedures Manual”).

- 1.5.2 All broadcasted communication with prospective Proposers shall be conducted via the Company's RFP website or via electronic mail ("Email") through the address specified in Section 1.7 (the "RFP Email Address").
- 1.5.3 Any two-way communication with individual prospective Proposers shall be conducted via Email through the RFP Email Address, with the exception of the Pre-Bid Meeting, discussed in Section 1.7.
- 1.5.4 All Proposal submissions shall be submitted only through the Electronic Procurement Platform.
- 1.5.5 To ensure the Independent Observer can monitor RFP communications, all correspondence to the RFP Email Address regarding the RFP or a proposed Project should include the Independent Observer Email Address found in Section 1.4.3 above. In addition to the Independent Observer, Proposers should also include the Independent Engineer on any questions relating to interconnection. The Company reserves the right to provide copies of communications that should have included the Independent Observer and/or Independent Engineer but, for whatever reason, did not include either or both of them.
- 1.5.6 Frequently asked questions, or questions with common issues, submitted by prospective Proposers and responses to those questions that may have general relevance to all Proposers may be posted on the Company's RFP website. The Company reserves the right to post only comments and questions with respective responses it deems are appropriate and relevant to the RFP.
- 1.5.7 Proposers are allowed to submit questions up to, but no later than, fifteen (15) days before the respective Proposal Due Date (RFP Schedule in Section 3.1, Table 2). The Company will endeavor to respond to all questions no later than five (5) days before the respective Proposal Due Date but make no assurance that it will be able to do so by such time or even before the Proposal Due Date if such question(s) involve significant investigation and/or research that the Company is unable to complete.
- 1.5.8 After the Proposal Due Date, the Company may contact individual Proposers for purposes of clarifying information in their Proposal(s). Proposers will not have any right to change their Proposal based on the Company's clarifying questions unless such clarification reveals a manifest error in the Proposal that the Company, in its sole discretion, deems necessary to correct in order for the Proposal to continue.
- 1.5.9 Any confidential information deemed by the Company, in its sole discretion, to be appropriate to share, will only be transmitted to the requesting party after receipt of the fully executed IGP Mutual Confidentiality and Non-Disclosure Agreement ("NDA"). See Appendix E.

1.5.10 Except as expressly permitted and in the manner prescribed in the Procedures Manual, any unsolicited contact by a Proposer or prospective Proposer with personnel of the Company pertaining to this RFP is prohibited.

1.6 Pre-Bid Meeting and Preliminary Interconnection Report

1.6.1 After the RFP is issued, during the preparation period prior to the Proposal Due Date, in order to (1) provide an initial understanding of potential interconnection requirements for a prospective project to interconnect to the Company system at the Proposer's selected interconnection point(s), and (2) improve the likelihood that Proposals will include an accurate assessment of necessary interconnection costs for their proposed interconnection point(s), the Company will schedule a mandatory meeting (conducted virtually, not in-person) with each prospective Proposer to discuss the interconnection associated with their potential Project(s) (a "Pre-Bid Meeting"). A Pre-Bid Meeting is a required prerequisite in order to submit a Proposal in response to this RFP. Based on the information provided in the written request from prospective Proposers, as described in Sections 1.6.2 to 1.6.10 below, the Company will prepare a Preliminary Interconnection Report to the prospective Proposer to facilitate the submittal of a complete Proposal with more informed anticipated interconnection costs associated with such Proposal.

1.6.2 Any prospective Proposer seeking to submit a Proposal in response to this RFP must submit to the Company:

- A completed Preliminary Interconnection Report & Pre-Bid Meeting Request (Appendix []),
- An executed NDA (Appendix E), and
- An applicable Pre-Bid Meeting Fee (see Section 1.6.5 below).

1.6.3 The Preliminary Interconnection Report & Pre-Bid Meeting Request and the executed NDA shall be submitted to the RFP Email Address no earlier than the Draft RFP Filing Date and no later than the Preliminary Interconnection Report & Pre-Bid Meeting Request Due Date shown in the RFP Schedule in Section 3.1, Table 2. The Pre-Bid Meeting Fee shall be submitted in a manner consistent with the requirements applicable to the Proposal Fee, as set forth in Section 3.7.3. The Company will not begin processing a Pre-Bid Meeting Request, nor will it begin work on the associated Preliminary Interconnection Report until all required information (the Preliminary Interconnection Report & Pre-Bid Meeting Request and executed NDA) and the associated Pre-Bid Meeting Fee is received. If any request for a Pre-Bid Meeting is not yet complete by the Preliminary Interconnection Report & Pre-Bid Meeting Request Due Date, the Company, in its sole discretion, may decline to schedule a Pre-Bid Meeting for such prospective Proposer and such prospective Proposer will not be permitted to submit a Proposal in this RFP.

1.6.4 Each prospective Proposer may submit a maximum of three (3) Preliminary Interconnection Report & Pre-Bid Meeting Requests for this RFP, each with a maximum of up to three (3) Project variations (variations are described in Section 3.7.2.1), all of

which must be completed and submitted prior to the Preliminary Interconnection Report & Pre-Bid Meeting Request Due Date. Prospective Proposers may not change their request or their respective variations prior the Pre-Bid Meeting.

- 1.6.5 The Pre-Bid Meeting Fee is \$1,000 for a single Project if the Project is interconnecting to a pre-screened location specified in Section 2.3.1, Table 1. If a prospective Proposer submits two or more Preliminary Interconnection Report & Pre-Bid Meeting Requests covering two or more Projects interconnecting to a pre-screened location specified in Section 2.3.1, Table 1, the Pre-Bid Meeting Fee increases incrementally by \$1,000 per Project (e.g., if two Preliminary Interconnection Report & Pre-Bid Meeting Requests are submitted for two Projects interconnecting to a pre-screened location, the total Pre-Bid Meeting Fee is \$3,000 – i.e., \$1,000 for the first Project, plus \$2,000 for the second Project).

The Pre-Bid Meeting Fee (including its variations as described in Section 3.7.2) is \$2,000 for a single Project if the Project is interconnecting to other locations not specified in Section 2.3.1, Table 1. If a prospective Proposer submits two or more Preliminary Interconnection Report & Pre-Bid Meeting Requests covering two or more Projects interconnecting to a location not specified in Section 2.3.1, Table 1, the Pre-Bid Meeting Fee increases incrementally by \$2,000 per Project (e.g., if two Preliminary Interconnection Report & Pre-Bid Meeting Requests are submitted for two Projects interconnecting to a non-pre-screened location, the total Pre-Bid Meeting Fee is \$6,000 – i.e., \$2,000 for the first Project, plus \$4,000 for the second Project).

If a prospective Proposer submits two or more Preliminary Interconnection Report and Pre-Bid Meeting Requests covering two or more Projects proposing to interconnect at both a pre-screened location specified in Section 2.3.1, Table 1, as well as a non-pre-screened location, the Pre-Bid Meeting Fee (1) for the pre-screened location Project(s) shall be determined as set forth above, and (2) for the non-pre-screened location Project(s) shall be determined after first accounting for the highest fee paid for a pre-screened location Project, and thereafter applying the incremental increase described above for the non-pre-screened location Project(s). For example, if three Preliminary Interconnection Report & Pre-Bid Meeting Requests are submitted for three Projects, one of which proposes to interconnect to a pre-screened location, and the other two of which propose to interconnect to non-pre-screened locations, the total Pre-Bid Meeting Fee is \$9,000 – i.e., \$1,000 for the first Project at a pre-screened location, plus \$3,000 for the second Project at a non-pre-screened location, plus \$5,000 for the third Project at a non-pre-screened location.

- 1.6.6 The Preliminary Interconnection Report will identify potential interconnection requirements for the given Project based only on information provided by the prospective Proposer in its Preliminary Interconnection Report & Pre-Bid Meeting Request and such further information available and actually known to the Company at the time of the Pre-Bid Meeting. For purposes of completing the Preliminary Interconnection Report, the Company will assume that only the prospective Proposer's Project is interconnecting to the Company System at a particular location. If the Company, in its sole discretion,

determines that it is unlikely that a Project and the potential interconnection requirements can be completed by the RFP's GCOD deadline, or that interconnection of the Project at the prospective Proposer's selected interconnection point is either impossible or cost-prohibitive, the Company, to the extent it is able to do so, and subject to the disclaimers and limitations of Section 1.6.7 below, will attempt to identify one or more potential alternative interconnection options for the Project. The alternative interconnection option(s), if any, will be described in the Preliminary Interconnection Report.

- 1.6.7 The Preliminary Interconnection Report is based on one Project interconnecting to the Company system at the specific location identified by the Proposer in its Preliminary Interconnection Report & Pre-Bid Meeting Request. Due to the interconnectedness of each island system, it is likely that requirements provided in the Preliminary Interconnection Report will be superseded if any other Proposal proposing to interconnect at the same location is selected. As such, in submitting a Preliminary Interconnection Report & Pre-Bid Meeting Request, requesters understand and acknowledge that any information and/or potential requirements identified in the Preliminary Interconnection Report are non-binding, subject to change, and for informational purposes only.

The Company makes no representation, warranty or other guarantee or assurance that any information, potential requirements and, if included, any alternative interconnection options, is accurate, complete, or cost-effective. The requestor is solely responsible for its review, interpretation, actions, plans, schedules, costs and contents of any Proposal completed using information obtained from the Preliminary Interconnection Report. Further, the Company undertakes and assumes no obligation to update any information, requirements or options in any Preliminary Interconnection Report once issued and provided to the requestor.

The scheduling and completion of the Pre-Bid Meeting and the issuance of a Preliminary Interconnection Report shall not constitute acceptance by the Company of the prospective Proposer's Proposal, as all Proposals must be prepared and submitted in accordance with the procedures and format specified in this RFP. Moreover, issuance of a Preliminary Interconnection Report does not obligate the Company to perform an IRS, nor does it negate any requirement for an IRS. In the event of a conflict between a Preliminary Interconnection Report and IRS, the IRS shall govern.¹²

- 1.6.8 Consistent with the Eligibility Requirements set forth in Section 4.2, all prospective Proposers are required to request and complete a Pre-Bid Meeting with the Company (and at least one of the Independent Observer or Independent Engineer in attendance) in order for the prospective Proposer to submit a Proposal in response to this RFP.¹³ The

¹² An IRS will be required for all Projects selected to the Final Award Group for this RFP. Any prior IRS conducted for a Project cannot substitute this requirement.

¹³ If, due to unforeseen circumstances, neither the Independent Observer or Independent Engineer is able to attend a scheduled Pre-Bid Meeting in which one or both of the Independent Observer or Independent Engineer agreed to attend, and with the concurrence of the parties, the Pre-Bid Meeting may be conducted if the meeting is recorded and made available to the Independent Observer or Independent Engineer within one (1) week of the recorded Pre-Bid Meeting.

scope of the Pre-Bid Meeting shall be limited to discussing the information provided in the requestor's Preliminary Interconnection Report & Pre-Bid Meeting Request in order for the Company to complete the applicable Project's Preliminary Interconnection Report. Other RFP topics not related to interconnection will not be discussed and should be directed through questions to the RFP Email address in [Section 1.7](#). Proposer's counsel may also attend the Pre-Bid Meeting, provided that a completed Certification of Counsel for Proposer ([Appendix B, Attachment 1](#)) is received by the Company prior thereto, and further provided that counsel for the Company is also present at the meeting. Each Pre-Bid Meeting will be scheduled by the Company within the timeframes specified in the RFP Schedule in [Section 3.1, Table 2](#), taking into account, among other considerations, the number of Preliminary Interconnection Report & Pre-Bid Meeting Requests received by the Company and the availability of Company resources. The Company will schedule the Proposer-specific meeting upon receipt of a timely and complete Preliminary Interconnection Report & Pre-Bid Meeting Request and associated materials as described in [Section 1.6.2](#). If a Proposer timely submits Preliminary Interconnection Report & Pre-Bid Meeting Requests and all other required information and the applicable Pre-Bid Meeting Fees in response to both this RFP and the Hawai'i island RFP [O'ahu RFP], the Proposer will be scheduled for a single Pre-Bid Meeting to discuss all Projects responsive to both RFPs.

- 1.6.9 The information provided by the Company in a Pre-Bid Meeting may depend on the clarity and accuracy of the information provided by a prospective Proposer in the Preliminary Interconnection Report & Pre-Bid Meeting Request(s), along with the specificity and detail of the questions and expertise and sophistication of a prospective Proposer's participants (e.g., technical personnel) present at the Pre-Bid Meeting. The Company assumes no responsibility to any prospective Proposers that information provided in one Pre-Bid Meeting will be consistent with information provided in another Pre-Bid Meeting, both as to content, complexity and scope, all of which is dependent on the level of detail, clarity and accuracy of the information provided, the questions presented and the level of expertise and sophistication of the Pre-Bid Meeting participants. The Company will attempt, subject to the disclaimers and limitations of [Section 1.6.7](#), to answer all questions presented but reserves the right, in its sole and absolute discretion, not to answer any questions posed by a prospective Proposer.
- 1.6.10 The Company will provide a written meeting summary, subject to the disclaimers and limitations of [Section 1.6.7](#), to prospective Proposers after the Pre-Bid Meeting. The summary is not intended to signify formal minutes of the Pre-Bid Meeting and may not contain all information discussed at the Pre-Bid Meeting. The Company assumes no responsibility for a prospective Proposer's reliance on such written meeting summary of the Pre-Bid Meeting. The Company reserves the right, with respect to non-confidential questions raised in any Pre-Bid Meeting that may be helpful to other prospective Proposers, to share such information with other prospective Proposers via the Q&A section on the RFP website.
- 1.6.11 A Proposal submitted to the Company in response to this RFP must be consistent with the Project characteristics described in the corresponding Preliminary Interconnection Report

issued by the Company for the Project. A proposed Project may deviate from that described in such Project's Preliminary Interconnection Report & Pre-Bid Meeting Request received by the Company, provided, however, that such deviation must have been identified in the Pre-Bid Meeting and memorialized in the Company's written meeting summary of the Pre-Bid Meeting. Any other change to a proposed Project's characteristics that are inconsistent with the proposed Project described in the Preliminary Interconnection Report will not be accepted and will be deemed by the Company to have not completed the mandatory Pre-Bid Meeting requirement. All such Proposals not completing a Pre-Bid Meeting will be automatically disqualified from this RFP without further review.

1.7 Company Contact for Proposals

The primary contact for this RFP is:

IGP RFP Team
Hawaiian Electric Company, Inc.

RFP Email Address: [TBD]

1.8 Dispute Resolution Process

- 1.8.1 If disputes arise under this RFP, except for disputes specific to a Proposal's interconnection, the provisions of Section 1.8 and the dispute resolution process established in the Revised Framework will control. See Part V of the Revised Framework. Because of the nature of the information provided in a Preliminary Interconnection Report and the acknowledged disclaimers and limitations of Section 1.6.7 with respect to such Preliminary Interconnection Report, the interconnection information, including but not limited to any potential interconnection alternatives contained in such report, is not subject to question or dispute under this Section 1.8, or the dispute resolution process in the Revised Framework.
- 1.8.1.1 Proposers that challenge or contest any aspect of the RFP process must first attempt to resolve any concern with the Company and the Independent Observer ("Initial Meeting"). The Independent Observer will seek to work cooperatively with the parties to resolve any disputes or pending issues, and may offer to mediate the Initial Meeting to resolve disputes prior to such issues being presented to the PUC.
- 1.8.1.2 Any and all disputes arising out of or relating to the RFP that remain unresolved for a period of twenty (20) days after the Initial Meeting takes place may, upon the agreement of the Proposer and the Company, be submitted to confidential mediation in Honolulu, Hawai'i (the "Mediation"), pursuant to and in accordance with the agreed upon mediation rules of the American Arbitration Association ("AAA") (or its successor). The Mediation will be administered by an independent mediator selected by the Company from the AAA list of approved mediators that have expertise with the subject of the dispute. Limited evidentiary requirements and pre-mediation procedural conditions shall be implemented and adhered to by the parties. If the parties agree to submit the dispute

to Mediation, the Proposer and the Company shall each pay fifty percent (50%) of the cost of the Mediation (i.e., the fees and expenses charged by the mediator) and shall otherwise each bear their own Mediation costs and attorney's fees.

- 1.8.1.3 If settlement of the dispute is not reached within sixty (60) days after commencement of the Mediation, or if after the Initial Meeting, the parties do not agree to submit any unresolved disputes to Mediation, the Proposer may submit the dispute to the PUC in accordance with the Revised Framework.
- 1.8.1.4 In accordance with the Revised Framework, the PUC will serve as the arbiter of last resort for any disputes relating to this RFP involving Proposers. The PUC will use an informal expedited dispute resolution process to resolve the dispute within thirty (30) days, as described in Parts III.B.7 and V of the Revised Framework.¹⁴ There will be no right to hearing or appeal from this informal expedited dispute resolution process.
- 1.8.1.5 By submitting a Proposal in response to this RFP, each Proposer expressly agrees that if it initiates a dispute resolution process for any dispute or claim submitted in violation of or arising under or relating to this RFP (e.g., a court proceeding, arbitration, etc.), other than as permitted by Section 1.8 of this RFP and the Revised Framework, such dispute shall be dismissed with prejudice and the Proposer filing such dispute or claim shall be responsible for any and all attorneys' fees and costs that may be incurred by the Company or the PUC in order to resolve such claim.
- 1.8.2 With respect to any disputes that arise under this RFP specific to a Proposal's interconnection, the Interconnection-Related Dispute Resolution Process ("IDRP"), as approved by Order No. 39163 and clarified by Order No. 39286, issued in Docket 2017-0352, shall apply. All aspects of the IDRPs shall apply to this RFP as described.

1.9 No Protest or Appeal

Subject to Section 1.8, no Proposer or other person will have the right to protest or appeal to any court or other dispute resolution organization, any award, non-award or disqualification of a Project made by the Company or any decision by the Commission made pursuant to Section 1.8.6.

By submitting a Proposal in response to the RFP, the Proposer expressly agrees to the terms and conditions set forth in this RFP.

¹⁴ The informal expedited dispute resolution process does not apply to PUC review of contracts that result from the RFP. See Decision and Order No. 23121, issued on December 8, 2006 in Docket No. 03-0372, at 34-35; Revised Framework Part III.B.4. Further, the informal expedited dispute resolution process does not apply to the Revised Framework's process relating to issuance of a final RFP, and/or to the PUC approval of the RFP because: (1) the Revised Framework (and the RFP) set forth specific processes whereby interested parties may provide input through the submission of comments (see Revised Framework Part IV.B.6.e); and (2) the Revised Framework's dispute resolution process applies to "Bidders" and there are no "Bidders" at this stage in the RFP process (see Revised Framework Part III.B.7 and Part V).

1.10 Modification or Cancellation of the Solicitation Process

- 1.10.1 Unless otherwise expressly prohibited, the Company may, at any time up to the final execution of an IGP Contract, as may be applicable, in consultation with the Independent Observer, postpone, withdraw, and/or cancel any requirement, term, or condition of this RFP, including deferral of the award or negotiation of any contract, and/or cancellation of the award all together, all of which will be without any liability to the Company.
- 1.10.2 The Company may modify this RFP subject to requirements of the Revised Framework, whereby the modified RFP will be reviewed by the Independent Observer and submitted to the PUC thirty (30) days prior to its issuance, unless the PUC directs otherwise. See Revised Framework Part IV.B.10. The Company will follow the same procedure with regard to any potential postponement, withdrawal, or cancellation of the RFP or any portion thereof.

Chapter 2: Resource Needs and Requirements

2.1 Scope of the RFP

- 2.1.1 In this RFP, Hawaiian Electric seeks a total of 589 GWh of renewable generation energy, with 270 MW of grid-forming capacity, with a GCOD of no later than December 1, 2029.

The grid-forming requirement on the O‘ahu system may be met by Standalone Storage Projects or Paired Projects with grid charging and must be in-service as soon as possible but no later than December 1, 2029. The Company intends to fulfill the entire grid-forming need in Round 1 as described in Section 1.2.

[Hawai‘i: In this RFP, Hawaiian Electric seeks 134 GWh of renewable generation energy to be in service by December 1, 2029.]

On Hawai‘i Island, the Company allows the interconnection of facilities to the transmission system (69 kV) and there is a strong preference to be sited on the East and South part of Hawai‘i Island. The Company intends to fulfill the entire grid-forming need of Round 1 as described in Section 1.2.]

- 2.1.2 Proposals will be submitted as:
- Generation Projects;
 - Projects with both a variable renewable generation component and an energy storage component (“Paired Projects”);
 - Generation Projects or Paired Projects with a separate co-located energy storage component (“Co-located Projects”) subject to independent dispatch by the Company; or
 - Standalone energy storage Projects (“Standalone Storage Projects”);

Generation Projects are Projects that do not include an energy storage component. Paired Projects have both a variable renewable generation component and an energy storage

component. Any proposed Project utilizing PV must be proposed as a Paired Project with its energy storage component sized to the minimum capacity and duration requirement. Wind generation may be proposed as a Generation Project, or, if it is proposed with storage, must be proposed as a Paired Project with an energy storage component sized to the minimum capacity and duration requirement. In Paired Projects, the generation and energy storage resources are controlled by Company dispatch as a single combined resource. In Co-located Projects, the co-located storage is controlled independent of the generation resource or paired resource(s).

- 2.1.3 All Proposals with a generation component submitted in response to this RFP must utilize qualified renewable energy resource(s), as defined under the Hawai‘i Renewable Portfolio Standards (“RPS”) law,¹⁵ as amended from time to time, and the IGP Contract applicable to the Proposal (RDG PPA, Firm PPA, or ESPA). By statute, “Renewable Energy” means energy generated or produced using the following sources: (1) wind; (2) the sun; (3) falling water; (4) biogas, including landfill and sewage-based digester gas; (5) geothermal; (6) ocean water, currents, and waves, including ocean thermal energy conversion; (7) biomass, including biomass crops, agricultural and animal residues and wastes, and municipal solid waste and other solid waste; (8) biofuels; and (9) hydrogen produced from renewable energy sources.¹⁶ Renewable diesel will not be permitted as a fuel source for this RFP.

Projects that utilize qualified renewable energy resources with longer or uncertain development timeframes than permitted by this RFP are invited to participate in a future long-term RFP. In addition to utilizing a qualified renewable resource as defined under RPS, proposed technologies must also meet the Proven Technology Threshold Requirement as defined and described in Section 4.3.

- 2.1.4 All Proposals with a generation component that operates on fuel must include any and all costs of such fuel for the entire proposed Firm PPA term in its Proposal, with the exception of biofuel Proposals. Proposals operating on biofuel¹⁷ do not need to include the cost of biofuel in its Proposal cost, but those Proposals must provide a biofuel price forecast. The Proposal will not have to guarantee the biofuel forecast pricing, but the Company reserves the right to use an alternative appropriate fuel forecast when evaluating the Proposal (i.e., the Company may choose to use the Company’s biofuel forecast, or potentially look at more than one fuel forecast for evaluation purposes).
- 2.1.4.1 All Proposals with a generation component that operates on fuel must also describe its preliminary plan to ensure an Adequate Fuel Supply required for the operation and maintenance of the facility as described in Section 14.a. of Attachment Y to the Firm PPA.

¹⁵ RPS requirements in Hawai‘i are codified in Hawai‘i Revised Statutes (“HRS”) §§ 269-91 through 269-95.

¹⁶ See HRS § 269-91.

¹⁷ Biofuel is defined in HRS § 269-91: “Biofuels” means liquid or gaseous fuels produced from organic sources such as biomass crops, agricultural residues and oil crops, such as palm oil, canola oil, soybean oil, waste cooking oil, grease, and food wastes, animal residues and wastes, and sewage and landfill wastes.

Alternative fuel management plans that meet the intent of the above requirements may be considered. The fuel requirements may be revisited and adjusted downward in the future if needs so require.

- 2.1.4.2 All Proposals with a generation component that operate on fuel must also commit to provide fuel for the entire proposed term of the Firm PPA and, with the exception of biofuel, provide evidence, such as in the form of contracts or letter of intent, that the fuel will be secured for the duration of the Firm PPA term.¹⁸ All Proposals utilizing a fuel source must also specify any minimum monthly, quarterly, and/or annual fuel purchases in its fuel contract. Proposals for facilities that elect to use a liquid or gaseous fuel source must also be capable of operating using fossil fuel, including obtaining the proper permitting, and include the costs for the use of such fuel in the Proposal. The Company will maintain the right to consent to any fuel supply changes during the term of the IGP Contract. It is the responsibility of the Seller to operate within the limits of any applicable permits while being able to operate pursuant the terms in the Firm PPA. Any operational constraints need to be identified in the Proposal. In the event there are changes to operational limitations, such changes will be memorialized through an amendment to the Firm PPA. At a minimum, Proposers are responsible for researching permitting and environmental requirements in existence and identifying such requirements and any resulting operational limits in their Proposal.
- 2.1.5 Proposals that will require System upgrades must account for and include such System upgrades in the Proposal – including impacts on cost, schedule, and GCOD. Proposals that will require System upgrades and the construction of which, in the reasonable judgment of the Company (in consultation with the Independent Observer), creates a significant risk that their Project’s GCOD will not be met, will not be considered in this RFP. System upgrades may or may not be identified in the Proposer’s Preliminary Interconnection Report. The absence of any identified System upgrades, however, shall not preclude the necessity of any System upgrades identified in the applicable IRS for the Project.
- 2.1.6 Projects submitted in response to this RFP must be located on the island of O‘ahu [Hawai‘i].
- 2.1.7 Proposals may propose a term of any length for the IGP Contract. Proposals with terms longer than twenty-five (25) years, however, may require additional terms and conditions for obligatory capital improvements, replacements, refurbishment and upgrades to the Project to ensure that the facility can be satisfactorily operated and maintained to respond to Company dispatch and meet required performance metrics and performance standards for the entire term of the IGP Contract.
- 2.1.8 Proposals must determine and identify their Project Site, interconnection facilities and route of interconnection facilities, Grid Connection Point (“GCP”), and Point(s) of Interconnection (“POI”).

¹⁸ Proposals operating on biofuel must commit to providing fuel for the entire duration, but do not have to provide evidence of a fuel supply contract for the entire duration of the contract. However, Proposals utilizing biofuel must commit to provide evidence of a fuel supply for at least the first 3 years of the Firm PPA term.

2.1.9 Proposers must locate all Project infrastructure¹⁹ within areas of the proposed Project Site that are:

- outside the 3.2-foot sea level rise exposure area (SLR-XA) as described in the Hawai‘i Sea Level Rise Vulnerability, and Adaptation Report (2017);²⁰
- not located within a Tsunami Evacuation Zone;²¹ and
- not located within the Hawai‘i Department of Land and Natural Resources flood map’s flood zones A, AE, AEF, AH, AO, VE based on the Federal Emergency Management Agency’s Digital Flood Insurance Rate Maps.²²

All equipment required for a Proposer’s Project must be sited within the proposed Project Site with no assumptions that any equipment will be sited on Company property, unless specified by the Company.

2.1.10 Projects must meet the Environmental Resilience Standards stated in Attachments B and G of the applicable IGP Contract.

2.1.11 Projects must interconnect to the Company System transmission system (138 kV system) or subtransmission system (46 kV system) [Hawai‘i: (69 kV system)], which is described in Section 2.3. To the extent the Company’s existing land rights for any Company-provided interconnection location are not perpetual, Proposers will remain responsible for securing land rights in the Company’s favor for any such Company-provided interconnection location in accordance with the requirements of the applicable IGP Contract.

2.1.12 A Project’s size must be greater than 5 MW [Hawai‘i: 2.5 MW], the threshold for a waiver from the Revised Framework. No single point of failure from the Facility shall result in a decreased generating capacity measured at the Project’s POI greater than 142 MW [Hawai‘i: 30 MW] for the system.

Also, according to the Company’s transmission planning criteria, for any transmission element outage, the aggregate generating capacity on any remaining radial transmission circuit will not exceed the aforementioned single point of failure limit for the System. Additionally, in meeting the single point of failure requirement, if the Project’s generator step-up transformers are operated in parallel, the parallel step-up transformers must be equal in size (MVA) and have the same electrical characteristics and available tap positions. Each generator step-up transformer must have its own POI not in adjacent

¹⁹ Project infrastructure includes Seller-Owned Interconnection Facilities (“SOIF”) and COIF located at the Project Site but does not include any required line extension between the Project and the GCP.

²⁰ Hawai‘i Climate Change Mitigation and Adaptation Commission. 2017. Hawai‘i Sea Level Rise Vulnerability and Adaptation Report. Prepared by Tetra Tech, Inc. and the State of Hawai‘i Department of Land and Natural Resources, Office of Conservation and Coastal Lands, under the State of Hawai‘i Department of Land and Natural Resources Contract No: 64064. This report is available at: https://climateadaptation.hawaii.gov/wp-content/uploads/2017/12/SLR-Report_Dec2017.pdf

²¹ See Hawai‘i Sea Level Rise Viewer at <https://www.pacioos.hawaii.edu/shoreline/slr-hawaii/>, and National Oceanic and Atmospheric Administration (NOAA) interactive map in partnership with the State of Hawai‘i at <https://tsunami.coast.noaa.gov/#/>. Projects infrastructure must be outside the “Tsunami Evacuation Zone” (but not necessary to be outside the “Extreme Tsunami Evacuation Zone”).

²² See Hawai‘i Department of Land and Natural Resources Flood Hazard Assessment Tool at <http://gis.hawaiiinfip.org/FHAT/>.

positions of the same breaker-and-a-half bay into the Company System that can be independently dispatched via the Company's Energy Management System. Proposers will be required to propose revisions to the IGP Contract to account for multiple POI. Any such revisions shall be subject to Company's review and agreement in its sole discretion.

- 2.1.13 Contracts for Projects selected through this RFP must use the appropriate IGP Contract as described in Section 3.11. Under the RDG PPA and Firm PPA, the Company shall maintain exclusive rights to fully direct dispatch of the Facility, subject to availability of the resource for those Projects using the RDG PPA. Under the ESPA, the Company shall maintain exclusive rights to fully direct the charging and discharging of the Facility. Additionally, due to the critical nature and usage of the Project to support the grid, the ability to control and tune the Facility's response to certain grid events and conditions is an important aspect that will be required of all facilities.
- 2.1.14 The storage component of a Paired Project will be charged from its generation component during periods when full potential export of the generation component is not being dispatched by the Company. Energy in the storage component will be exported to the Company's System subject to Company dispatch. The storage component of a Paired Project must be sized to support the Facility's Net Nameplate Capacity (in MW)²³ for at least four (4) continuous hours throughout the term of the respective RDG PPA and support a minimum of 365 full charging/discharging cycles per year (or 366 full charging/discharging cycles per leap year).
- For example, for a paired 10 MW PV or Wind facility, the energy storage component must be able to store and discharge at least 40 MWh of energy in a cycle throughout the term of the RDG PPA.
- Paired Projects must also be capable of being 100% charged from the grid at the direction of the Company from the GCOD.
- 2.1.15 The amount of energy discharged from any energy storage component (Paired Project, Co-located Project or Standalone Storage Project) in a year will be limited to the BESS Contract Capacity (in MWh) multiplied by the number of days in that year. An energy storage component may be dispatched more than once per day, subject to such discharge energy limitations.
- 2.1.16 Co-located Projects and Standalone Storage Projects will be charged from the grid and provide energy to the Company during times that are deemed by the Company to be beneficial to the System. These facilities must be connected to the grid at all times, with the exception of allowed maintenance periods and periods where the Company has requested the Projects to disconnect from the System.
- 2.1.17 Standalone Storage Projects must be sized to support the Facility's Net Nameplate Capacity (in MW) for four (4) continuous hours throughout the term of the ESPA and

²³ See the appropriate IGP Contract for the Net Nameplate Capacity definition.

support a minimum of 365 full charging/discharging cycles per year (or 366 full charging/discharging cycles per leap year).

For example, for a 10 MW facility, the energy storage component must be able to store and discharge at least 40 MWh of energy in a cycle throughout the term of the ESPA.

For Paired Projects, Co-located Projects, and Standalone Storage Projects, the inverter which interfaces between the BESS DC side and AC side must be a grid-forming control type inverter.

2.1.18 Generation Projects or Paired Projects utilizing the RDG PPA must provide a Net Energy Potential (“NEP”) RFP Projection for the proposed Facility. The NEP RFP Projection represents the estimated annual net energy potential (in MWh) that could be produced by the Facility and delivered to the POI over a 10-year period with a probability of exceedance of 95%. The NEP RFP Projection represents the potential renewable energy that could be generated by the Facility from the renewable resource and delivered to the POI (i.e., the net energy) assuming all energy is directly exported to the POI in the moment it is generated (full dispatch during all production hours) and never in excess of the Contract Capacity. The NEP RFP Projection is based upon the potential to convert a natural energy source into electric energy, and therefore, should not be influenced or affected by the energy storage component of the Facility.²⁴ The NEP RFP Projection is independent of the actual dispatch of the Facility as dispatch is at the full discretion of the Company. The NEP RFP Projection must reflect any anticipated maintenance and losses such as System degradation and balance of plant losses. The NEP RFP Projection will be used in the RFP evaluation process and therefore Proposers will be held to their provided value.²⁵ However, after selection to the Final Award Group and prior to the completion of the NEP IE Estimate, as defined in the RDG PPA, the Company will allow the Proposer a one-time upward adjustment to its NEP RFP Projection of up to five percent (5%) above its original Proposal’s NEP RFP Projection along with any proportioned change to its Lump Sum Payment as long as the Project’s RDG PPA unit price does not change.

2.1.19 Proposals utilizing the Firm PPA must provide their Contract Firm Capacity, which is the amount of MW of net dependable active power anticipated to be made available to Company from the Facility at the Metering Point subject to Company Dispatch upon Commercial Operations. Along with the Contract Firm Capacity, Proposers utilizing the

²⁴ Since only the generation component of a Project generates energy, only its contributions should be counted in the NEP, which is intended to represent the potential net generation expected to be made available to the Company from the Project’s siting and generating equipment and design. The benefit of the storage component will be included in the Company’s production modeling of the Project dispatch.

²⁵ If a Proposal is selected to the Final Award Group and a RDG PPA is executed between the Company and the Proposer, the NEP RFP Projection will be further evaluated at several steps throughout the process as set forth in the RDG PPA, and adjustments to the Lump Sum Payment will be made accordingly. Additionally, because the Company will rely on an accurate representation of the NEP RFP Projection in the RFP evaluation, a one-time liquidated damage as described in the RDG PPA will be assessed if the First NEP Benchmark is less than the Proposer’s NEP RFP Projection. After the Facility has achieved Commercial Operations, the performance of the Facility will be assessed on a continuing basis against key metrics identified in the RDG PPA. See Article 2 and Attachment U of the RDG PPA.

Firm PPA should provide an anticipated maintenance schedule and level of reductions expected to the Contract Firm Capacity during maintenance. Proposals must also agree to meet the warranties and guarantees of performance outlined in Section 3.2(B) of the Firm PPA, including, but not limited to, the guaranteed equivalent availability factor of ninety percent (90%), the equivalent forced outage rate of four percent (4%), and no more than three (3) disconnection events per contract year. Further, any minimum loads or minimum up-times driven by the technical and operational capabilities of the Facility should also be provided in the Proposal.

- 2.1.20 Paired Project and Standalone Storage Project Proposals must provide their BESS Contract Capacity (MW/MWh), which is the anticipated maximum net instantaneous active power and maximum energy storage capability (MWh stored that represents a 100% State of Charge) for export to the POI upon Commercial Operations. The BESS Contract Capacity (MW) shall not be less than the Net Nameplate Capacity. Proposals must also specify their Allowed Losses (kWh/24-hour period) which will be utilized for purposes of establishing the limit in Section 2.13 of the ESPA.
- 2.1.21 Co-located Project Proposals must provide their BESS Contract Capacity (MW/MWh), which is the anticipated maximum net instantaneous active power and maximum energy storage capability (MWh stored that represents a 100% State of Charge) for export to the POI upon Commercial Operations. The BESS Contract Capacity (MW) of a proposed Co-located Project shall not be less than the MW thresholds established in Section 2.1.12 of this RFP. The BESS Contract Capacity (MWh) of a proposed Co-located Project must be sized to support the BESS Contract Capacity (MW) for at least four (4) continuous hours throughout the term of the IGP Contract and support a minimum of 365 full charging/discharging cycles per year (or 366 full charging/discharging cycles per leap year). Proposed Co-located Projects must also specify their Allowed Losses (kWh/24-hour period), which will be utilized for purposes of establishing the limit in Section 2.13 of the ESPA.
- 2.1.22 Paired Project, Co-located Project, and Standalone Storage Project Proposals must provide a single value Round Trip Efficiency (“RTE”), measured at the POI, that the Facility’s BESS component is required to maintain throughout the term of the RDG PPA or ESPA. This RTE value will be used in the RFP evaluation process and therefore Proposers will be held to this provided value as it will become the RTE Performance Metric in Section 2.11 of the RDG PPA or ESPA. Review the applicable IGP Contract for potential liquidated damages assessed against Seller if the BESS does not maintain the required RTE. The RTE is further specified in Appendix B, Section 2.2.4.
- 2.1.23 Proposals must include a GCOD that is before such GCOD specified in Section 2.1.1 of this RFP. A GCOD included in any Proposal shall be the GCOD in any resulting IGP Contract if such Proposal is selected to the Final Award Group. No Proposer shall be permitted to request any change to the GCOD proposed in its Proposal. The Company stresses that, as stated in Section 4.3, Projects must fully demonstrate that there is a reasonable expectation the Project will reach the specified GCOD. Failure to meet this Threshold Requirement will result in a Proposal not advancing through this RFP. For any Proposal involving an existing project with an existing PPA expiring prior to

December 1, 2029, such Proposal (a) must specify a GCOD no later than the date the existing PPA term expires, and (b) must not be contingent on the negotiation and extension of the existing PPA.

- 2.1.24 [Hawai'i: no subtransmission-level only requirement] Proposals interconnecting on O'ahu's subtransmission level must provide a new ring bus switching station to interconnect subtransmission lines and the new generation resource. The switching station must connect to at least two subtransmission lines in a manner that ensures all of the generation resource's contract capacity is available to the system at all times, even when one subtransmission line is taken offline (i.e., both lines must have the capacity to allow full output of the plant on either line).

2.2 Technical and Operational Requirements

Proposals must meet the Technical and Operational Requirements and attributes set forth in this RFP, and the Technical and Operational Requirements set forth in the respective IGP Contract. Note that Technical and Operational Requirements may differ between islands and by technology. This RFP and the applicable IGP Contract set forth the minimum requirements that all Proposals must satisfy to be eligible for consideration in this RFP. Additional Technical and Operational Requirements may be required based on the results of the IRS.

- 2.2.1 For Proposals with energy storage components, the functionality and characteristics of the storage must be maintained throughout the term of the IGP Contract since the Company will rely on the capacity the energy storage components provide. To be clear, Proposers may not propose any energy storage degradation for either capacity or efficiency in their Proposals.²⁶
- 2.2.2 Note that selected Projects shall not sell energy to off-takers or third parties. The Company is not seeking proposals for microgrids and will not pay for availability, energy, capacity, or any other service if a project is being operated in a microgrid mode. However, in the event that a landowner requires a project have the capability to provide such services to the landowner, the Company requires such proposals to clearly identify such capabilities and restrictions in the Proposal's executive summary (Appendix B, Section 2.2.2), operate in a grid-connected mode as its primary function, and operate from grid-connected mode to island mode at the Company's sole discretion. Microgrid generators in island mode must return to grid-connected mode at the Company's sole discretion.

2.3 Transmission System Information

As specified in Section 2.1.11, projects must interconnect to the Company System at the transmission level or subtransmission level [Hawai'i: no subtransmission-level]. The

²⁶ Ensuring that there is no degradation in storage capacity or efficiency over the term of the IGP Contract can be accomplished in a number of ways, including overbuilding or pricing in replacement components. The particular manner in which this requirement is achieved is ultimately up to the Proposer to include in its Proposal.

Company will provide information on and discuss interconnection location(s) with potential Proposers in accordance with Section 1.6.

Proposers should perform their own evaluation of project locations, and the Company does not guarantee any project output or ability to connect based on information provided prior to the completion of an IRS. Reliance on the Pre-Bid Meeting and/or Preliminary Interconnection Report is subject to the disclaimers and limitations of Section 1.6.7 and pursuant thereto, would be superseded by the IRS. For example, even if not noted in a Preliminary Interconnection Report, an IRS may find that a Project causes an effective grounding issue, requiring additional grounding equipment to mitigate the issue.

- 2.3.1 The Company provides a pre-screened list of interconnection locations identified in Table 1 below. The line and substation locations were selected to this list based on results from Stage 3 RFP evaluation studies, as well as a review of the feasibility for interconnection. Proposers may request a high-level map identifying the pre-screened lines and substations. Requests shall be directed to the RFP Email Address in Section 1.7 after the execution of the NDA.

The Company notes a strong preference for proposed Projects to interconnect to the transmission system (138 kV), as well as a preference for such interconnection to be located at CEIP, Hoohana, Kahe, or Koolau substations due to previous studies results indicating the ability to export power from these substations. There are four (4) 46 kV lines that are provided as pre-screened locations, which are all in the Windward side of the island and downstream of the Koolau Substation. These 46 kV lines were identified as potential locations for interconnection in the Company's Renewable Energy Zone study.²⁷

[Hawai'i: The Company allows the interconnection of facilities to the transmission system (69 kV) and there is a strong preference for proposed projects to be sited on the east side of the island to provide a more geographically balanced (east and west) resource portfolio. In addition, there is a future need for generation on the south side of the island. Such generation is intended to be added upon the retirement of the Apollo Wind farm in order to provide voltage support to the south side of the island considering the island's load growth. Hence, there is a strong preference for resources to be sited on the east and south sides of Hawai'i Island.]

²⁷ See Hawaiian Electric Companies' Grid Needs Assessment Methodology Review Point, Book 2 of 2, Exhibit 2 (Dkt. No. 2018-0165), filed November 5, 2021.

**Table 1
Pre-Screened List of Interconnection Locations**

Island	Type	Name	Voltage (kV)	BAAH Gen terminations available (within existing substation footprint) ²⁸	Stage 3 Injection Capacity ²⁹ (MW)	Notes
[Hawai'i]	Sub	Kanoelehua	69	1	30	East Hawai'i Island substation
[Hawai'i]	Sub	Poopoomino	69	3	30	West Hawai'i Island substation
[Hawai'i]	Sub	Kamaoa	69	0	n/a	South Hawai'i Island substation
[Hawai'i]	Line	L6100 Kaumana-Kanoelehua	69	n/a	30	East Hawai'i Island transmission line
[Hawai'i]	Line	L6400 Puna-Kanoelehua	69	n/a	30	East Hawai'i Island transmission line
[Hawai'i]	Line	L6700 Keahole-Kahaluu	69	n/a	30	East Hawai'i Island transmission line
[Hawai'i]	Line	L6800 Keamuku-Keahole	69	n/a	30	West Hawai'i Island transmission line
[Hawai'i]	Line	L7100 Anaehoomalu-Poopoomino	69	n/a	30	West Hawai'i Island transmission line
[Hawai'i]	Line	L7300 Waimea-Ouli	69	n/a	30	North Hawai'i Island transmission line
[Hawai'i]	Line	L7500 Keahole-Kailua	69	n/a	30	West Hawai'i Island transmission line
[Hawai'i]	Line	L8200 Mauna Lani-Anaehoomalu	69	n/a	30	West Hawai'i Island transmission line

²⁸ Breaker-and-a-half (“BAAH”) positions available with the addition of substation equipment, provisions available within the current substation footprint. Locations showing 0 denote no positions available and require an expansion of the substation. Column is only applicable to substation interconnections (i.e., line interconnections denoted with “n/a” are not applicable).

²⁹ While Company has endeavored to provide more information of potential injection capacities from studies performed prior to the Stage 3 RFP completion, the Proposer must still complete its own due diligence. Locations showing “n/a” were not studied in the Stage 3 RFP analysis. Available capacities are being provided with the intent to convey the relative availability and only reflects the Company’s current understanding. Interconnection of proposed Project capacities will be confirmed in the Preliminary Interconnection Report.

Island	Type	Name	Voltage (kV)	BAAH Gen terminations available (within existing substation footprint) ²⁸	Stage 3 Injection Capacity ²⁹ (MW)	Notes
[Hawai'i]	Line	L8500 Kaumana-Keamuku	69	n/a	30	Cross island transmission line
[Hawai'i]	Line	L8600 Kealia-Kahaluu	69	n/a	9.5	South Hawai'i Island transmission line
[Hawai'i]	Line	L9100 Keahole-PooPoomino	69	n/a	30	West Hawai'i Island transmission line
[Hawai'i]	Line	L9200 Wailuku-Kaumana	69	n/a	17.9	East Hawai'i Island transmission line
[Hawai'i]	Line	L9300 Keahole-Kailua	69	n/a	30	West Hawai'i Island transmission line
[Hawai'i]	Line	L9500 Kahaluu-Kailua	69	n/a	30	West Hawai'i Island transmission line
O'ahu	Sub	Kahe	138	3	426	
O'ahu	Sub	CEIP	138	1	142	
O'ahu	Sub	Ewa Nui	138	2	284	
O'ahu	Sub	Koolau	138	1	142	
O'ahu	Sub	Hoohana	138	1	90	
O'ahu	Line	Waiau-Ewa Nui 1	138	n/a	n/a	
O'ahu	Line	Waiau-Ewa Nui 2	138	n/a	n/a	
O'ahu	Line	Waiau-Koolau 1	138	n/a	n/a	
O'ahu	Line	Waiau-Koolau 2	138	n/a	n/a	
O'ahu	Line	Koolau-Pukele 1	138	n/a	n/a	
O'ahu	Line	Koolau-Pukele 2	138	n/a	n/a	
O'ahu	Line	Koolau-Aikahi	46	n/a	15	
O'ahu	Line	Koolau-Kailua	46	n/a	11	
O'ahu	Line	Koolau-Wailupe 1	46	n/a	22	
O'ahu	Line	Koolau-Wailupe 2	46	n/a	36	

2.3.2 The Company reiterates the reason for providing the pre-screened 138 kV and 46 kV [Hawai'i: 69 kV] interconnection list is to provide a streamlined process for developers, as more upfront information is known and provided as locations were based on a preliminary feasibility assessment. Pre-screened lines identified for interconnection are known to have available MW capacity to allow project interconnections. In contrast, lines not included on the pre-screen list have a high likelihood of requiring

reconductoring and/or the addition of new transmission lines to the Proposer's switching station, and/or rebuild or expansion of existing substations. New transmission lines require new terminations at other transmission substations, which may also trigger rebuild, reconfiguration, and/or expansion to accommodate the new terminations.

- 2.3.3 Notwithstanding the aforementioned intent behind providing the pre-screened interconnection location list, a detailed IRS, when performed, may reveal other adverse system impacts that may further limit a Project's contract capacity or require interconnection upgrades.

2.4 Interconnection to the Company System

- 2.4.1 The Proposer must provide information pertaining to the design, development, and construction of the Interconnection Facilities. Interconnection Facilities include both the SOIF and the COIF.

2.4.1.1 All Proposals must include a description and conceptual or schematic diagrams of the Proposer's plan to transmit power from the Facility to the Company's System. The proposed Interconnection Facilities must be compatible with the Company's System. In the design, Projects must adequately consider Company requirements to address impacts on the performance, safety, and reliability of the Company System.

2.4.1.2 Proposals must include COIF cost estimates in a form substantively similar to the template provided as Attachment 1 to Appendix H. This will facilitate the Company's evaluation of whether the Proposal included sufficient COIF costs in its Proposal.

2.4.1.2.1 To assist Proposers in developing costs of potential projects, the Company offers interconnection facilities cost and schedule information in Appendix H. The information provided in Appendix H can be used to approximate the cost for COIF, including substation, telecommunications, security, transmission and distribution lines, and project management. Examples of how to apply the per-unit costs provided in Appendix H are provided in Attachment 2 to Appendix H.

2.4.1.3 In addition to the Technical and Operational Requirements and findings of the IRS, the design of the Interconnection Facilities, including power rating, POI with the Company's System, and scheme of interconnection, must meet Company Standards, as defined below.

2.4.1.4 To facilitate Proposers receiving additional information on the Company's required specifications and procedures early in the RFP process, the Company will offer its Engineer, Procure, Construct Specifications for Hawaiian Electric Power Lines and Substations ("EPC Specifications")³⁰ to Proposers who request this via the

³⁰ The Company's EPC Specifications are currently being updated, but the Company will provide these in draft form. The draft is currently being reviewed to ensure consistency between all documents, but the drafts should provide useful guidance to assist with the Proposal development. The Company will not be responsible for updates made to the EPC Specifications after transmittal to a Proposer, even if such update results in the need for a Proposer to make necessary revisions to its designs and/or plans.

communication method identified in Section 1.7 and upon the execution of an NDA and the execution of a separate Confidentiality, Waiver, and Hold Harmless Agreement with the Company provided as Attachment 1 of Appendix E. These EPC Specifications are intended to illustrate the scope of work typically required to administer and perform the design and construction of a Hawaiian Electric substation and power line.

The most updated and applicable Company Standards will also be provided later to Projects that are selected to the Final Award Group and continue through PPA negotiations. At that time, if the EPC Specifications have since been updated, the Company will also make an updated version available.

- 2.4.1.5 The Company will also make available Pre-Bid Meetings to discuss a prospective Project's interconnection plan. Completing a Pre-Bid Meeting is mandatory for all Project proposals submitted for this RFP. See Section 1.6. [TBD].
- 2.4.1.6 Information and documents related to the interconnection process may also be found at: <https://www.hawaiianelectric.com/clean-energy-hawaii/selling-power-to-the-utility/competitive-bidding-for-system-resources>. This site provides a detailed overview of the full, three-part interconnection process and reference documents. It includes description of each step in the process, lists of key deliverables, and helpful resources and examples. It also includes a listing of technical documents that may be referenced elsewhere in this RFP.
- 2.4.1.7 Past PPAs executed with the Company are filed with the PUC and are publicly available on the PUC's Document Management System website. Attachment G and Matrix G-1 of recently filed PPAs contain summarized total estimated interconnection cost information of the COIF and the identification of substation responsibilities. In addition, on March 31, 2022, the Company's Key Performance Metrics Interconnection Experience website went live. The website contains a list of projects and their estimated and actual interconnection costs for the portions of interconnection built by the Company. These resources may also aid Proposers in estimating the costs of their Interconnection Facilities. However, the Company notes that each Project and POI is unique and it is the Proposer's responsibility to ensure it conducts proper due diligence to determine the proper interconnection requirements for its Project. Proposers should therefore not assume that an interconnection configuration and associated interconnection costs for a prior project is suitable and appropriate for its proposed Project.
- 2.4.1.8 Interconnection Facilities must be designed such that it meets the applicable single-line diagram in Appendix H. [TBD].
- 2.4.2 Tariff Rule No. 19 establishes provisions for Interconnection and Transmission Upgrades and can be found at <https://www.hawaiianelectric.com/billing-and-payment/rates-and-regulations>. The tariff provisions are intended to simplify the rules regarding who pays for, installs, owns, and operates Interconnection Facilities in the context of competitive bidding. As stated in the tariff, in the event there is any conflict between the tariff and this RFP, the provisions of this RFP shall prevail. Proposers shall be required to build the COIF, including the switching station and line work, except for any work in the

Company's existing energized facilities and the final tap as described in Appendix H, or work deemed necessary to be performed by the Company during the Project's Facility Study. Construction of COIF by the Proposer must comply with (i) all applicable Laws; (ii) Company's design/drawing layout and symbol standards, equipment specifications, and construction specifications and standards; and (iii) Good Engineering and Operating Practices (collectively, the "Standards"). The Company's specific construction standards and procedures will be provided upon request. (See Section 2.4.1.)

- 2.4.3 The Proposer shall be responsible for all costs required to interconnect a Project to the Company's System, including all SOIF and COIF, regardless of who is responsible for building such facilities. Unless otherwise explicitly stated in this RFP, a Proposer must assume that it is responsible for all interconnection costs and should not assume that any portion of such interconnection costs is for a System upgrade allocable to the Company.
- 2.4.4 Proposers are required to include in their pricing Proposal all costs for interconnection and equipment expected to be required between their Facility and their proposed GCP. Appendix H includes information related to COIF and costs that may be helpful to Proposers. Selected Proposers shall be responsible for the actual final costs of all interconnection costs for its Project including SOIF and COIF (see Appendix H), whether or not such costs exceed the costs set forth in a Proposer's Proposal. No adjustments will be allowed to the proposed price in a Proposal if actual costs for Interconnection Facilities exceed the amounts proposed.
- 2.4.5 Proposers are required to account for all costs for distribution-level service connection for station power in their pricing proposal.
- 2.4.6 All Projects will be screened for general readiness to comply with the requirements for interconnection. Proposals selected to the Final Award Group will be subject to Section 5.1. Proposals selected to the Final Award Group may be subject to further study in the form of an IRS. The IRS process is further described in Section 5.1. The results of the completed IRS or as identified through the Detailed Evaluation process, as well as any mitigation measures identified, will be incorporated into the terms and conditions of a final executed IGP Contract.
- 2.4.7 A Proposer, subject to the disclaimers and limitations specified in Section 1.6.7, shall use the information provided in the Preliminary Interconnection Report and discussed in the Pre-Bid Meeting, along with unit pricing in Appendix H, to incorporate the interconnection and/or include any system upgrade costs in their Proposal. Proposers shall also use this information to assist in determining whether all upgrades identified can be completed within reasonable timelines to achieve Commercial Operations prior to the RFP's established GCOD deadline. Appendix H does not include an exhaustive list of estimates, and Proposers may need to develop their own estimates for work and materials that are not included in Appendix H. Notwithstanding the information obtained from the Preliminary Interconnection Report, the Pre-Bid Meeting or Appendix H, Proposers are ultimately responsible for development of their pricing to incorporate System upgrades and may submit follow-up questions to the Company as necessary to develop cost estimates for a Proposal.

2.5 Potential Sites

2.5.1 Company-Owned Sites

Consistent with the Revised Framework, the Company may choose to, on a case-by-case basis, make a Company-owned site available for consideration as a Project Site. Only Company-owned sites specified in this Section 2.5.1 of the RFP shall be available for Proposers' consideration.

No Company-owned site is being offered for this RFP. The Company does not currently have any sites available that would be appropriate, based on size and location, for use as a renewable energy site.

2.5.2 Federal Site

Marine Corps Base Hawai'i (MCBH) has expressed a willingness to support a renewable energy project at a pre-determined project site referred to herein as the Federal Site. Proposers proposing to use the Federal Site shall be required to execute a lease/license for the Federal Site coterminous with the term of the applicable IGP Contract with the landowner. [Additional information will be provided. **Hawai'i: no federal site**]

Chapter 3: Instructions to Proposers

3.1 Schedule for the Proposal Process

Table 2 sets forth the proposed schedule for the proposal process (the "RFP Schedule"). The RFP Schedule is subject to PUC approval. The Company reserves the right to revise the RFP Schedule as necessary. Changes to the RFP Schedule prior to the RFP Proposal Due Date will be posted to the RFP website. Changes to the RFP Schedule after the Proposal Due Date will be communicated via Email to the Proposers and posted on the RFP website.

**Table 2
Proposed RFP Schedule**

Milestone	Schedule Dates
(1) Community Meeting	March 11, 2024
(2) Developer Meeting	March 20, 2024
(3) Draft RFP Filing Date	April 30, 2024 ³¹
(4) Comments for Draft RFP Due Date	May 30, 2024
(5) Technical Conference	July 16, 2024
(6) Order to Issue Final RFP	August 16, 2024
(7) Issue RFP	August 19, 2024
(8) Preliminary Interconnection Report & Pre-Bid Meeting Request Due Date	[3 weeks after RFP issuance]
(9) Pre-Bid Meetings Held	[11-14 weeks after RFP issuance] [November 4-22, 2024]
(10) Hawaiian Electric and Affiliate Proposal Due Date	[22 weeks – 1 day after RFP issuance] January 16, 2025 at 2:00 pm HST
(11) IPP Proposal Due Date	[22 weeks after RFP issuance] January 17, 2025 at 2:00 pm HST
(12) Selection of Priority List	April 4, 2025
(13) Hawaiian Electric and Affiliate BAFOs Due	April 11, 2025
(14) IPP BAFOs Due	April 12, 2025
(15) Selection of Final Award Group	July 26, 2025
(16) IRS and Contract Negotiations Begin	August 02, 2025

3.2 Company RFP Website/Electronic Procurement Platform

3.2.1 The Company has established a website for general information to share with potential Proposers. The RFP website is located at the following link:

[www.hawaiianelectric.com/\[TBD\]](http://www.hawaiianelectric.com/[TBD])

The Company will provide general notices, updates, schedules, and other information on the RFP website throughout the process. Proposers should check the website frequently to stay abreast of any new developments. This website will also contain the link to the Electronic Procurement Platform employed by the Company for the receipt of Proposals.

3.2.2 Wood Mackenzie Supply Chain Intelligence Platform³² is the Electronic Procurement Platform that the Company has licensed and will utilize for the receipt of Proposals in

³¹ This date and all subsequent dates in the proposed final schedule are dependent on any further guidance to be set by the PUC

³² Also referred to as PowerAdvocate in prior RFPs, PowerAdvocate became Wood Mackenzie Supply Chain. Any reference to PowerAdvocate in this RFP is referring to the Wood Mackenzie Supply Chain Intelligence Platform.

this RFP. Proposers must submit their Proposals through the Electronic Procurement Platform. See Appendix B for more details.

3.3 Information Exchange

A virtual Community Meeting will be held on March 11, 2024. Meeting materials, including draft RFPs, will be made available on [www.hawaiianelectric.com/\[TBD\]](http://www.hawaiianelectric.com/[TBD]). Community feedback will be accepted via Email. A Developer Meeting will also be held on March 20, 2024. The PUC also hosted a series of five public meetings between October 2023 and February 2024 regarding equity issues related to the RFP process, pursuant to Order No. 40290 in Docket No. 2022-0250.

A virtual Technical Status Conference will also be held in [TBD].

Prospective Proposers may submit written questions regarding the RFP and their Proposal to the RFP Email Address set forth in Section 1.7. Proposers should include the Independent Observer when submitting questions to the RFP Email Address. In addition to the Independent Observer, who should be included on all correspondence to the Company, Proposers should also include the Independent Engineer on any questions to the RFP Email Address of a technical nature. The Company will endeavor to address all questions but does not guarantee that it will be able to answer all questions submitted. Questions and responses that might be helpful to other prospective Proposers will be shared via a Q&A section on the RFP website. Prospective Proposers should review the RFP website's Q&A section prior to submission of their Proposal. Duplicate questions will not be answered.

As previously discussed, Proposers must also request a Preliminary Interconnection Report and participate in an individual Pre-Bid Meeting, as described in Section 1.6.

3.4 Preparation of Proposals

- 3.4.1 Each Proposer shall be solely responsible for reviewing the RFP (including all attachments and links) and for thoroughly investigating and informing itself with respect to all matters pertinent to this RFP, the Proposer's Proposal, and the Proposer's anticipated performance under the applicable IGP Contract. It is the Proposer's responsibility to ensure it understands all requirements of the RFP, to seek clarification if the RFP's requirements or Company's request is not clear, and to ask for any confirmation of receipt of submission of information. As noted in Section 3.6.5, a Proposer is solely responsible for all errors in its Proposal(s). The Company has no obligation to inform a Proposer of any error in a Proposal, and the Company will not accept any explanation by a Proposer that it was incumbent on the Company to catch any erroring a Proposal.
- 3.4.2 Proposers shall rely only on official information provided in writing by the Company, as described in this RFP, when preparing their Proposal. The Company will rely only on the information included in the Proposals, and additional information solicited by the Company to Proposers in the format requested, to evaluate the Proposals received. Evaluation will be based on the stated information in this RFP and on information

submitted by Proposers in response to this RFP. Proposals must clearly state all capabilities, functionality and characteristics of the Project, must clearly detail plans to be performed, must explain applicability of information, and must provide all referenced material if it is to be considered during the Proposal evaluation. Referencing previous RFP submissions or projects for support will not be considered. Proposers should not assume that any previous RFP decisions or preferences will also apply to this RFP.

3.4.3 Each Proposer shall be solely responsible for, and shall bear all of its costs incurred in the preparation of its Proposal and/or its participation in this RFP, including, but not limited to, all costs incurred with respect to the following: (1) review of the RFP documents; (2) information conference participation; (3) third-party consultant consultation; (4) investigation and research relating to its Proposal and this RFP; and (5) costs associated with the Preliminary Interconnection Report and Pre-Bid Meeting process described in Section 1.6. The Company will not reimburse any Proposer for any such costs, including the selected Proposer(s).

3.4.4 Each Proposal must contain the full name and business address of the Proposer and must be signed by an authorized officer or agent³³ of the Proposer.

3.5 Organization of the Proposal

3.5.1 The Proposal must be organized as specified in Appendix B. It is the Proposer's responsibility to ensure the information requested in this RFP is submitted and contained within the defined proposal sections as specified in Appendix B.

3.5.2 The Proposer must contact the Company to request any deviation from the proposal format in Appendix B if the Proposer determines that such format will not allow the pricing, capabilities, functionality or characteristics of the Project to be captured in the Proposal. The Company will consider a request for deviation from the proposal format, provided that the Proposer's request is made with sufficient time for the Company to review and respond to the request.

3.6 Proposal Submission Requirements

3.6.1 All Proposals must be prepared and submitted in accordance with the procedures and format specified in the RFP. Proposers are required to respond to all questions and provide all information requested in the RFP, as applicable, and only via the communication methods specified in the RFP.

3.6.2 Detailed requirements regarding the form, submission, organization and information for the Proposal are set forth in Chapter 3 and Appendix B.

3.6.3 Proposals must not rely on any information that is not contained within the Proposal itself in demonstrating compliance for any requirement in this RFP.

³³ Proposer's officer or agent must be authorized to sign the Proposal. Such authorization must be in writing and may be granted via Proposer's organizational documents (i.e., Articles of Incorporation, Articles of Organization, By-laws, etc.), resolution, or similar documentation.

- 3.6.4 In submitting a Proposal in response to this RFP, each Proposer certifies that the Proposal has been submitted in good faith and without fraud or collusion with any other unaffiliated person or entity. The Proposer shall acknowledge this in the Response Package submitted with its Proposal. Furthermore, in executing the NDA provided as Appendix E, the Proposer agrees on behalf of its Representatives (as defined in the NDA) that the Company's negotiating positions will not be shared with other Proposers or their respective Representatives.

In addition, in submitting a Proposal, a Proposer will be required to provide Company with its legal counsel's written certification in the form attached as Attachment 1 to Appendix B certifying in relevant part, that irrespective of any Proposer's direction, waiver, or request to the contrary, the attorney will not share a Proposer's confidential information associated with such Proposer with others, including, but not limited to, such information such as a Proposer's or Company's negotiating positions. If legal counsel represents multiple unaffiliated Proposers whose Proposals are selected for the Final Award Group, such counsel will also be required to submit a similar certification at the conclusion of contract negotiations that he or she has not shared a Proposer's confidential information or the Company's confidential information associated with such Proposer with others, including but not limited to, such information as a Proposer's or the Company's negotiating positions.

- 3.6.5 All Proposals must be submitted via the Electronic Procurement Platform by 2:00 pm Hawai'i Standard Time ("HST") on the respective Proposal Due Date shown in the RFP Schedule in Section 3.1, Table 2. The Company will not accept a hard copy of any Proposal.

It is the Proposer's sole responsibility to ensure that complete and accurate information has been timely submitted and is consistent with the requirements of this RFP. With this assurance, the Company shall be entitled to rely upon the completeness and accuracy of every Proposal. Any errors identified by the Proposer or Company after the Proposal Due Date has passed may jeopardize further consideration and success of the Proposal. If an error or errors are later identified, the Company, in consultation with the Independent Observer, may permit the error(s) to be corrected without further revision to the Proposal, or may require the Proposer to adhere to terms of the Proposal as submitted without correction. Additionally, and in the Company's sole discretion, if such error(s) would materially affect the Priority List or Final Award Group, the Company reserves the right, in consultation with the Independent Observer, to remove or disqualify a Proposal upon discovery of the material error(s). The Proposer of such Proposal shall bear the full responsibility for such error(s) and shall have no recourse against the Company's decision to address Proposal error(s), including removal or disqualification. The Energy Contract Manager, in consultation with the Independent Observer, will confirm that all Proposals were submitted by the respective Proposal Due Dates shown in Section 3.1, Table 2. The Electronic Procurement Platform automatically closes to further submissions after the IPP Proposal Due Date shown in Section 3.1, Table 2.

3.7 Proposal Fee

- 3.7.1 IPP and Affiliate Proposers are required to tender a non-refundable Proposal Fee of \$10,000 for each Proposal submitted.
- 3.7.2 Proposers may submit up to three (3) variations of a Proposal, one of which is the base variation of the Proposal, under a single Proposal Fee.
- 3.7.2.1 Only variations of GCOD,³⁴ Facility size, or configuration with/without storage (solar energy must include storage) can be offered as variations within a Proposal. Other changes can be proposed as separate Proposals, with all the supporting information required of a Proposal, and a separate Proposal Fee. All unique information for each variation of a Proposal, no matter how minor such variation is, must be clearly identified and separated by following the instructions in Appendix B pertaining to “(Optional) Minor Proposal Variations”.
- 3.7.3 The Proposal Fee must be in the form of a cashier’s check from a U.S.-chartered bank made payable to “Hawaiian Electric Company, Inc.” and must be delivered and received by the Company by 2:00 pm HST on the respective Proposal Due Date shown in the RFP Schedule in Section 3.1, Table 2. The cashier’s check should include a reference to the Proposal(s) for which the Proposal Fee is being provided. Proposers must identify in the Proposal Response Package (instructions in Appendix B, Section 1.3.1) the delivery information for its Proposal Fee. Proposers are strongly encouraged to utilize a delivery service method that provides proof of delivery to validate delivery date and time.

If the Proposal Fee is delivered by U.S. Postal Service (with registered, certified, receipt verification), the Proposer shall address it to:

Hawaiian Electric Company, Inc.
Renewable Acquisition Division
Attn: IGP RFP Energy Contract Manager
Mail Code AL12-IU
PO Box 2750
Honolulu, Hawai‘i 96840

If the Proposal Fee is delivered by other courier services, the Proposer shall address it to:

Hawaiian Electric Company, Inc.
Ward Receiving
Attention: IGP RFP Energy Contract Manager
Mail Code AL12-IU
799 S. King St.
Honolulu, Hawai‘i 96813

In-person delivery of Proposal Fees by Proposers will not be allowed.

³⁴ All GCODs must comply with the GCOD Eligibility Requirement in Section 4.2.

3.8 Procedures for any Hawaiian Electric Proposal or Affiliate Proposal

- 3.8.1 The Company or its Affiliates may submit a Proposal in response to this RFP subject to the requirements of this RFP. The Revised Competitive Bidding Framework allows the Company the option to offer a Self-Build Proposal in response to this RFP (“Hawaiian Electric Proposal”). Accordingly, the Company must follow certain requirements and procedures designed to safeguard against and address concerns associated with: (1) preferential treatment of the Hawaiian Electric Proposal or members, agents, or consultants of the Company formulating the Hawaiian Electric Development Team; and (2) preferential access to proprietary information by the Hawaiian Electric Development Team. These requirements are specified in the Code of Conduct required under the Revised Framework and implemented by certain rules and procedures found in the Procedures Manual submitted with this RFP and attached as Appendix C. The Code of Conduct will apply to this RFP, regardless of whether the Company submits a Hawaiian Electric Proposal.

The Revised Competitive Bidding Framework also allows Affiliates of the Company to submit Proposals³⁵ to RFPs issued by the Company. All Hawaiian Electric Proposals and Affiliate Proposals are subject to the Company’s Code of Conduct and the Procedures Manual. Affiliate Proposals are also subject to any applicable Affiliate Transaction Requirements issued by the PUC in Decision and Order No. 35962 on December 19, 2018, and subsequently modified by Order No. 36112, issued on January 24, 2019, in Docket No. 2018-0065. Affiliate Proposals will be treated identically to IPP Proposals and must be submitted electronically through the Electronic Procurement Platform by the Hawaiian Electric and Affiliate Proposal Due Date in RFP Section 3.1, Table 2.

- 3.8.2 The Company will require that the Hawaiian Electric Proposal(s) and Affiliate Proposals be submitted electronically through the Electronic Procurement Platform. Hawaiian Electric and Affiliate Proposals will be due a minimum of one (1) day before other Proposals are due. A Hawaiian Electric and Affiliate Proposal will be uploaded into the Electronic Procurement Platform in the same manner Proposals from other Proposers are uploaded. The Energy Contract Manager, in consultation with the Independent Observer, will confirm that the Hawaiian Electric and Affiliate Proposals are timestamped by the Hawaiian Electric and Affiliate Proposal Due Date found in RFP Section 3.1, Table 2.
- 3.8.3 Detailed requirements for a Hawaiian Electric Proposal can be found in Appendix G. These requirements are intended to provide a level playing field between Hawaiian Electric Proposals and third-party Proposals. Except where specifically noted, a Hawaiian Electric Proposal must adhere to the same price and non-price Proposal requirements as required of all Proposers, as well as certain IGP Contract requirements, such as milestones and liquidated damages, as described in Appendix G. The non-negotiability of the Technical and Operational Requirements shall apply to any Hawaiian Electric Proposal to the same extent it would for any other Proposal. Notwithstanding the fact that it will not be required to enter into a IGP Contract with the Company, a Hawaiian Electric Proposal will be required to note its exceptions, if any, to the IGP

³⁵ A Proposal will also be treated as an Affiliate Proposal if the Affiliate is a partner for the Proposal.

Contract in the same manner required of other Proposers, and will be held to such modified parameters if selected. In addition to its Proposal, the Hawaiian Electric Development Team will be required to submit the Hawaiian Electric Development Team Certification Form provided as Attachment 1 of Appendix G, acknowledging it has followed the rules and requirements of the RFP to the best of its ability and has not engaged in any collusive actions or received any preferential treatment or information providing an impermissible competitive advantage to the Hawaiian Electric Development Team over other Proposers responding to this RFP, as well as adherence to IGP Contract terms and milestones required of all Proposers and the Hawaiian Electric Proposal's proposed cost protection measures.

The cost recovery methods between a regulated utility proposal and IPP proposals are fundamentally different due to the business environments they operate in. As a result, the Company has instituted a process to compare the two types of Proposals for the initial evaluation of the price related criteria on a 'like' basis through comparative analysis.

At the core of a Hawaiian Electric Proposal are its total project capital cost and any associated annual O&M costs. During the RFP's initial pricing evaluation step, these capital costs³⁶ and O&M costs will be used in a revenue requirement calculation to determine the estimated revenues needed from customers which would allow the Company to recover the total cost of the project. The Hawaiian Electric Proposal revenue requirements are then used to determine a levelized energy price ("LEP" in \$/MWh), which will then be used for comparison to IPP and any Affiliate Proposals (see Section 4.4.1).

The Company, in conjunction with the Independent Observer, may also conduct a risk assessment of the Hawaiian Electric Proposal to ensure an appropriate level of customer cost protection measures are included in such Proposal.

If the Hawaiian Electric Proposal is not included in any shared savings mechanism for this RFP pre-approved by the PUC, the Hawaiian Electric Proposal will be permitted to submit a shared savings mechanism with its Proposal to share in any cost savings between the amount of cost bid in the Hawaiian Electric Proposal and the actual cost to construct the Project. If the Hawaiian Electric Proposal is selected to the Final Award Group, the proposed shared savings mechanism will need to be approved by the PUC. Submission of a shared savings mechanism is not required and will not be considered in the evaluation of the Hawaiian Electric Proposal.

3.9 Proposal Limitations

In submitting a Proposal, Proposers expressly acknowledge and agree that Proposals are submitted subject to the following limitations:

³⁶ Hawaiian Electric Proposals will be required to provide a table identifying project costs by year. These capital costs should be all inclusive, including but not limited to costs associated with equipment, Engineering, Procurement, and Construction, interconnection, overhead, and Allowance for Funds Used During Construction.

The RFP does not commit or require the Company to award a contract, pay any costs incurred by a Proposer in the preparation of a Proposal, or procure or contract for products or services of any kind whatsoever. The Company reserves the right, in consultation with the Independent Observer, to accept or reject, in whole or in part, any or all Proposals submitted in response to this RFP, to negotiate with any or all Proposers eligible to be selected for award, or to withdraw or modify this RFP in whole or in part at any time.

- The Company reserves the right, in consultation with the Independent Observer, to request additional information from any or all Proposers relating to their Proposals or to request that Proposers clarify the contents of their Proposals. Proposers who are not responsive to such information requests may be eliminated from further consideration upon consultation with the Independent Observer.
- The Company reserves the right, in consultation with the Independent Observer, to solicit additional Proposals from Proposers after reviewing the initial Proposals. Other than as provided in this RFP, no Proposer will be allowed to alter its Proposal or add new information to a Proposal after the Proposal Due Date.
- All material submitted in response to this RFP will become the sole property of the Company, subject to the terms of the NDA.

Proposers understand and agree that if its Proposal is selected by the Company for the Final Award Group, such selection shall in no way constitute the Company's confirmation that a Proposer's Project will meet the requirements under this RFP, e.g., that the Project's proposed interconnection is feasible and will meet the Company's requirements. The Proposer is ultimately responsible for ensuring that its Project meets the technical requirements specified in this RFP, and if the parties reach agreement on a IGP Contract, the requirements specified in the IGP Contract.

3.10 Proposal Compliance and Bases for Disqualification

Proposers may be deemed non-responsive and/or Proposals may not be considered for reasons including, but not limited to, the following:

- Any unsolicited contact by a Proposer or prospective Proposer with personnel of the Company pertaining to this RFP as described in Section 1.5.10.
- Any illegal or undue attempts by or on behalf of the Proposer or others to influence the Proposal Review process.
- The Proposal does not meet one or more of the Eligibility Requirements specified in Section 4.2.
- The Proposal does not meet one or more of the Threshold Requirements specified in Section 4.3.

- The Proposal is deemed to be unacceptable through a fatal flaws analysis as described in Section 4.4.2.
- The Proposer does not respond to a Company request for additional information to clarify the contents of its Proposal within the timelines specified by the Company.
- The Proposal contains misrepresentations or errors and wholesale omissions of required information.

3.11 IGP Contracts

3.11.1 The IGP Contract for any PV Paired Project selected under this RFP will be in the form of the Company's PV+BESS RDG PPA attached as Appendix J.

The IGP Contract for any wind Generation Project or wind Paired Project selected under this RFP will be in the form of the Company's Wind+BESS RDG PPA attached as Appendix K.

The IGP Contract for any Firm Project selected under this RFP will be in the form of the Company's Firm PPA attached as Appendix L.

The IGP Contract for Standalone Storage Projects selected under this RFP will be in the form of the Company's ESPA, attached as Appendix M.

The Contracts required for Co-located Projects selected under this RFP will be in the form of Company's Firm PPA attached as Appendix L and ESPA attached as Appendix M; or (b) the Company's RDG PPA attached as either Appendix J or Appendix K and ESPA attached as Appendix M. The generation component must meet the requirements of either the RDG PPA or the Firm PPA; and the energy storage component must meet the requirements of the ESPA.

3.11.2 If selected, any Affiliate Proposers will be required to enter into the applicable IGP Contract with the Company.

3.11.3 If selected, a Hawaiian Electric Development Team will not be required to enter into a IGP Contract with the Company. However, the Hawaiian Electric Development Team will be held to the proposed modifications to the applicable IGP Contract, if any, it submits as part of the Hawaiian Electric Proposal in accordance with Section 3.8. Moreover, the Hawaiian Electric Proposal will be held to the same performance metrics and milestones set forth in the applicable IGP Contract to the same extent as all Proposers, as attested to in the Hawaiian Electric Proposal's Appendix G, Attachment 1, Hawaiian Electric Development Team Certification submittal. If liquidated damages are assessed, they will be paid from shareholder funds and returned to customers through the Purchased Power Adjustment Clause or other appropriate rate adjustment mechanisms.

To retain the benefits of operational flexibility for a Company-owned facility, the Hawaiian Electric Proposal will be permitted to adjust operational requirements and

performance metrics with the approval of the PUC. The process for adjustment would be similar to a negotiated amendment to a IGP Contract with PUC approval.

3.11.4 In general, under the RDG PPA and ESPA, payment to the Seller consists of a Lump Sum Payment to cover the costs of the Project. For Firm Projects only, in addition to a Capacity Charge payment, the Company will allow Proposers to also include an additional Energy Charge payment component (\$/MWh) to cover variable operations and maintenance costs that cannot be captured within the Capacity Charge payment component. Costs not incorporated into and clearly stated in the Lump Sum Payment, Capacity Charge payment, or Energy Charge payment calculations shall not be paid by the Company and shall be borne by the Seller. In return for the payments, the Seller shall guarantee minimum performance and availability metrics to ensure that the Facility is maintained and available for energy, storage (if applicable) and dispatch, as well as provide an indication of the available energy in near real-time for the Company's dispatch. The Company shall not be obligated to accept, nor shall it be required to pay for, test energy generated by the Facility during acceptance testing or other test conditions.

3.11.5 The Technical and Operational Requirements identified in the applicable IGP Contract and in Section 2.1 of the RFP establish the minimum requirements a Proposal must satisfy to be eligible for consideration in this RFP. A proposed Facility's ability to meet these Technical and Operational Requirements is both a Threshold Requirement and a Non-price evaluation criterion under Sections 4.3 and 4.4.2, respectively. As such, these Technical and Operational Requirements are non-negotiable by any Proposer. As previously stated, if a Proposer proposes a technology that is not already represented in any IGP Contract, the terms of the applicable IGP Contract will be modified to address the specific technology and/or component. Proposers must provide documentation to support their requests for contract modifications. For example, for firm generation facilities, recognizing some firm technologies operate significantly differently, necessary modifications required for particular technologies will be permitted if Proposer provides technical specifications that support the need for such proposed modifications. Proposers may propose modifications to other sections of the IGP Contracts (see Section 3.11.7 below) but are encouraged to accept such terms as written in order to expedite the overall RFP process and potential contract negotiations. As a component of their respective Proposals, the Hawaiian Electric Development Team or any other Proposer who elects to propose modifications shall provide a Microsoft Word red-line version of the relevant document identifying specific proposed modifications to the IGP Contract language that the Proposer is agreeable to, as well as a detailed explanation and supporting rationale for each modification.

3.11.5.1 General comments, drafting notes and footnotes such as "parties to discuss," and reservation of rights to propose modifications at a later time, are unacceptable and will be considered non-responsive. Proposed modifications to any IGP Contract will be evaluated as a non-price evaluation criterion as further described in Section 4.4.2. In order to facilitate this process, the Company will make available electronic versions of the IGP Contracts on the RFP website and through the Electronic Procurement Platform for the RFP. Any proposed modifications to the IGP Contract will be subject to

negotiation between the Company and the Final Award Group and should not be assumed to have been accepted either as a result of being selected to the Final Award Group or based on any previously executed PPA. As stated above, since general comments, drafting notes, and footnotes without accompanying specific proposed language modifications are unacceptable and non-responsive, the Company will not negotiate provisions simply marked by such general comments, drafting notes, and footnotes.

- 3.11.5.2 The Company has an interest in maintaining consistency for certain provisions of the IGP Contracts, such as the calculation of availability and payment terms. Therefore, for such provisions, the Company will endeavor to negotiate similar and consistent language across IGP Contracts for the Final Award Group.
- 3.11.6 Proposals that do not include specific proposed modifications to the attached IGP Contracts will be deemed to have accepted the IGP Contract in its entirety.
- 3.11.7 As stated in Section 3.11.5 above, Proposers may propose modifications to sections of the IGP Contracts. However, certain sections specified below in the various IGP Contracts are non-negotiable.
- 3.11.7.1 For the RDG PPAs, Technical and Operational Requirements are non-negotiable. Also, as identified in the Schedule of Defined Terms in the RDG PPAs that contain an energy storage component under “BESS Allocated Portion of the Lump Sum Payment”, the allocated portion of the Lump Sum Payment specified for energy storage for the Facility for determining liquidated damages is 50% and shall be a non-negotiable percentage in the RDG PPA. Further, as stated in Section 3.14.2 below, Proposers shall not propose an amount lower than that set forth in the RDG PPA for Development Period Security and Operating Period Security.
- 3.11.7.2 For the Firm PPA, Technical and Operational Requirements are non-negotiable, except as recognized in Section 3.11.5 above, and as stated in Section 3.14 below, Proposers shall not propose an amount lower than that set forth in the Firm PPA for Development Period Security and Operating Period Security.
- 3.11.7.3 For the ESPA, Technical and Operational Requirements are non-negotiable, and, as stated in Section 3.14.2 below, Proposers shall not propose an amount lower than that set forth in the ESPA for Development Period Security and Operating Period Security.
- 3.11.8 Proposers with existing Projects and an existing PPA submitting a Proposal in response to this RFP must clearly state in its Proposal (a) the Proposer’s intent to terminate or declare its existing PPA null and void pursuant to the terms of such agreement, and (b) that its Proposal is not contingent on any other resolution to such existing agreement if such existing agreement will not expire, unless otherwise terminated or declared null and void, before the start of the term set forth in the Proposal. The Company’s selection of an existing Project shall not be deemed to signify an agreement by the Company to Proposer’s intent regarding its existing PPA with the Company. Such treatment shall be subject to negotiation in conjunction with and concurrently with negotiations between the parties on the applicable IGP Contract. Unless otherwise agreed by the Company, in its

sole discretion, resolution of the existing PPA shall be required as a condition to entering into any IGP Contract with a Proposer with an existing PPA with the Company.

3.12 Pricing Requirements

- 3.12.1 Proposers must submit pricing for each variations associated with each Proposal (if variations as described in Section 3.7.2 are submitted). Proposers are responsible for understanding the terms of the applicable IGP Contract. Pricing cannot be specified as contingent upon any other factor (e.g., changes to federal tax policy, assuming that all applicable federal tax credits are received, assuming that the Company will accept any proposed change to the applicable IGP Contract).
- 3.12.2 Escalation in Lump Sum Payment or Capacity Charge payment pricing over the term of the IGP Contract is prohibited.
- 3.12.3 Pricing information must only be identified within specified sections of the Proposal as instructed by this RFP's Appendix B (i.e., Proposal pricing information must be contained within defined Proposal sections of the Proposal submission). Pricing information contained anywhere else in a Proposal will not be considered during the evaluation process.
- 3.12.4 The Proposer's Response Package must include the following prices for each Proposal (and variation):

For IPP or Affiliate proposals:

- [For PV+BESS, Wind+BESS, and Standalone Storage Projects]
 - **Lump Sum Payment (\$/year):** Payment amount for full dispatchability of the Facility. Payment will be made in monthly increments.
- [For Firm Projects]
 - **Capacity Charge payment (\$/kW/Month):** Payment for the capacity available to the Company's System from the Facility, including any applicable fixed O&M costs.
 - **Energy Charge payment (\$/kWh):** Payment for delivery of net energy sourced from the generation resource, if desired. As stated in Attachment J of the Firm PPA, the Energy Charge payment consists of two components: a Fuel Component and a Variable O&M Component. No Energy Charge will be provided for any energy delivery that is sourced originally from the grid (Company's System). The Energy Charge may contain a Variable O&M Component; however, the Variable O&M Component must be guaranteed and not be tied to an index. The Variable O&M Component may include escalations; however, such escalation must be in the form of a guaranteed percentage.
 - **Heat Rate Curve (if applicable):** A guaranteed heat rate curve specified as a three-term second-order polynomial relative to facility net MW output. This curve will be used to determine the variable cost of the fuel for a given MW output.

For Hawaiian Electric Proposals:

- **Total Project Capital Costs (\$/year):** Total capital costs for the project (identified by year).
- **Annual O&M Costs (\$/year):** Initial year operations and maintenance costs, annual escalation rate.
- **Annual Revenue Requirement (\$/year):** Annual revenue requirements (“ARR”) calculated for each year.
- [For Hawaiian Electric Firm Project Proposals]
 - **Heat Rate Curve (if applicable):** A guaranteed heat rate curve specified as a three-term second-order polynomial relative to facility net MW output. This curve will be used to determine the variable cost of the fuel for a given MW output.

See Appendix G for descriptions and detail on the Total Project Capital Costs, Annual O&M Costs, and ARR for Hawaiian Electric Proposals.

3.12.5 To allow Proposers to offer the most competitive pricing while offering protection during these times of market volatility, the Company will allow an indexed one-time capped pricing adjustment explained in Section 4.6.3 below.

3.13 Confidentiality

3.13.1 Each prospective Proposer must submit an executed NDA in the form attached as Appendix E by the date specified in Section 1.6.2 as part of its Preliminary Interconnection Report & Pre-Bid Meeting Request. The form of the NDA is not negotiable. Information designated as confidential by the Company will be provided on a limited basis, and only those prospective Proposers who have submitted an executed NDA will be considered. The Company will not accept NDAs that were executed for prior RFPs. Proposers must clearly identify all confidential information in their Proposals. However, Proposers should designate as confidential only those portions of their Proposals that genuinely warrant confidential treatment. The Company discourages the practice of marking every page of a Proposal as confidential. The Company will make reasonable efforts to protect any such information that is clearly marked as confidential. Consistent with the terms of the NDA, the Company reserves the right to share any information, even if marked confidential, to its agents, contractors, or the Independent Observer for the purpose of evaluating the Proposal and facilitating potential IGP Contract negotiations.

3.13.2 Proposers, in submitting any Proposal(s) to Company in response to this RFP, certify that such Proposer has not shared its Proposal(s), or any part thereof, with any other Proposer of a Proposal(s) responsive to this RFP. The Proposer shall acknowledge this in the Response Package submitted with its Proposal. Notwithstanding such certification, if the Company observes or receives evidence from a Proposer that appears to place one or more Proposers in violation of this Section 3.13.2, e.g., a representative from one Proposer uses the same information in multiple Proposals submitted by different Proposers (e.g. individual Proposers with different names, joint ventures, etc.), Company will seek additional information and clarification from such Proposer(s) to determine

whether such a violation does in fact exist (and, if so, in consultation with the Independent Observer, whether disqualification of one or more Proposals is appropriate).

3.13.3 The Company will request that the PUC issue a protective order to protect confidential information provided by Proposers to the Company and to be filed in a proceeding before the PUC. A copy of the protective order, once issued by the PUC, will be provided to Proposers. Proposers should be aware that the Company may be required to share certain confidential information contained in Proposals with the PUC, the Consumer Advocate, and the parties to any docket instituted by the PUC, provided that recipients of confidential information have first agreed in writing to abide by the terms of the protective order. Notwithstanding the foregoing, no Proposer will be provided with Proposals from any other Proposer, nor will Proposers be provided with any other information contained in such Proposals or provided by or with respect to any other Proposer.

3.14 Credit Requirements

3.14.1 Proposers with whom the Company enters into an RDG PPA, Firm PPA or ESPA must post Development Period Security and Operating Period Security in the form of an irrevocable standby letter of credit from a bank doing business in the United States and subject to United States state or federal regulations, with a credit rating of “A-“ or better from Standard & Poor’s (“S&P”) or A3 or better from Moody’s as required and set forth in Article 14 of the RDG PPA or ESPA, or Article 7 of the Firm PPA. Cash, a parent guaranty, or other forms of security will not be accepted in lieu of the irrevocable standby letter of credit.

3.14.2 The Development Period Security and Operating Period Security identified in the RDG PPA, Firm PPA or the ESPA are minimum requirements. Proposers shall not propose an amount lower than that set forth in the RDG PPA, Firm PPA or the ESPA.

3.14.3 Each Proposer shall be required to provide a satisfactory irrevocable standby letter of credit in favor of the Company from a bank doing business in the United States and subject to United States state or federal regulations, with a credit rating of “A-“ or better from S&P or A3 or better from Moody’s to guarantee Proposer’s payment of interconnection costs for all COIF in excess of the Total Estimated Interconnection Costs and/or all relocations costs in excess of Total Estimated Relocation Costs that are payable to Company as required and set forth in Attachment G to the RDG PPA, Firm PPA or the ESPA.

3.14.4 Proposers may be required to provide an irrevocable standby letter of credit in favor of the Company from a bank doing business in the United States and subject to United States state or federal regulation, with a credit rating of “A-“ or better from S&P or A3 or better from Moody’s in lieu of the required Source Code Escrow in an amount and as required and set forth in Attachment B to the RDG PPA, Firm PPA, or the ESPA. Source code escrow is not required for synchronous generators.

3.15 Pre-selection Community Feedback

3.15.1 Within thirty (30) days after the Proposal Due Date, each Proposer shall hold a public meeting to obtain community feedback on their proposed Project (“Pre-selection Community Feedback”), in accordance with the requirements detailed in Section 1.1.k of Appendix N. Each Proposer shall compile the Pre-selection Community Feedback and transmit it to the Company, including copies of all comments received in their original, unedited form, via Email, in accordance with Sections 1.5, no later than twenty-one (21) days after the public meeting. The Pre-selection Community Feedback will be considered part of the Proposer’s Proposal and included in the evaluation of the Community Engagement non-price criterion.

Chapter 4: Evaluation Process and Evaluation Criteria

4.1 Proposal Evaluation and Selection Process

The Company will employ a multi-step evaluation process. Once Proposals are received, Proposals will be subject to a consistent and defined review, evaluation, and selection process. This Chapter provides a description of each step of the process, along with the requirements of Proposers at each step.

Upon receipt of Proposals, the Company will review each Proposal submission to determine if it meets the Eligibility Requirements and the Threshold Requirements. The Company, in coordination with the Independent Observer, will determine if a Proposer is allowed to cure any aspect of its Proposal or whether the Proposal should be eliminated based on the failure to meet either Eligibility or Threshold Requirements.³⁷ If the Company permits a Proposer to cure any aspect of its Proposal in order to meet any Eligibility or Threshold Requirement, the Proposer shall provide a response within three (3) business days from the date of a notification to cure.³⁸ Proposals that have successfully met all Eligibility and Threshold Requirements will then enter a two-phase process for Proposal evaluation, which includes the Initial Evaluation resulting in the development of a Priority List, followed by the opportunity for Priority List Proposals to provide a Best and Final Offer, and then a Detailed Evaluation process to arrive at the selection of a Final Award Group.

4.2 Eligibility Requirements Assessment

Upon receipt of the Proposals, the Company will review each Proposal to ensure that it meets the following Eligibility Requirements.

³⁷ As a general rule, if a Proposer does not include a requested document, inadvertently excludes minor information or provides inconsistencies in its information, it may be given a chance to cure such deficiency. If a Proposer fails to provide material required information in its Proposal and providing the Proposer an opportunity to cure is deemed by the Company, in consultation with the Independent Observer, as an unfair advantage to such Proposer, the Proposal could be classified as non-conforming and eliminated for failure to meet the Eligibility Requirements.

³⁸ The three (3) business day period will apply to the initial opportunity to cure. The Company, at its discretion, and in consultation with the Independent Observer, may allow for additional cure periods, if any, for subsequent inquiries.

1. The Proposal, including required uploaded files, must be received by the applicable Proposal Due Date via the Electronic Procurement Platform.
2. The Proposal Fee must be received on or before the Proposal Due Date.³⁹
3. The Proposal must not contain material omissions.
4. The Proposal must include an Authorization Letter signed and certified by an officer or other authorized person of the Proposer.
5. The Proposer must fully execute the NDA and any other document required pursuant to this RFP.
6. The Proposer must provide a Certificate of Vendor Compliance from the Hawai‘i Compliance Express with their Proposal that is current (dated and issued no earlier than sixty (60) days of the date of Proposal submission) and shows a status of “Compliant”. The Certificate of Vendor Compliance must show the Proposer is “Compliant” with the Hawai‘i Department of Taxation, Internal Revenue Service, and Hawai‘i Department of Commerce & Consumer Affairs. A Certificate of Good Standing from the State of Hawai‘i Department of Commerce and Consumer Affairs (dated and issued no earlier than sixty (60) days of the date of Proposal submission) and also federal and Hawai‘i state tax clearance certificates for the Proposer may be substituted for the Certificate of Vendor Compliance.
7. The Proposal must not be contingent upon changes to existing county, state, or federal laws or regulations.
8. The Proposal must propose only those Projects that were the subject of a Pre-Bid Meeting and Preliminary Interconnection Report, consistent with the requirements in Section 1.6.10.
9. Proposals must specify a GCOD consistent with Section 2.1.1.
10. The proposed Project must be located as specified in Section 2.1.6.
11. The proposed Project must locate all Project infrastructure as specified in Section 2.1.9.
12. The proposed Project must interconnect to the Company System as specified in Section 2.1.11.
13. Proposers shall agree to post Development Period Security and Operating Period Security as described in Section 3.14.

4.3 Threshold Requirement Assessment

The Company will review all Proposals that meet all Eligibility Requirements to ensure compliance with all Threshold Requirements, which have been designed to screen out Proposals that are insufficiently developed, lack demonstrated technology, or will impose unacceptable execution risk for the Company.

Proposals must provide explanations and contain supporting information demonstrating how and why the proposed Project meets each of the Threshold Requirements. Proposals that fail to provide this information or meet a Threshold Requirement will be eliminated from further consideration upon concurrence with the Independent Observer.

The Threshold Requirements for this RFP are the following:

³⁹ Proposal Fees will not be required for Hawaiian Electric Proposals.

1. **Site Control:** The Proposal must demonstrate that the Proposer has Site Control, as defined below, for all real property required for the successful implementation of a specific Proposal at a Site not controlled by the Company, including any Interconnection Facilities, with the exception of right-of-way or easements for the interconnection route, for which the Proposer is responsible. The need for a firm commitment is necessary to ensure that Proposals are indeed realistic and can be relied upon as the Company moves through the remainder of the RFP process.

For a Proposal to meet this Site Control requirement, Proposers must do one of the following:

- a) Provide documentation confirming (1) that the Proposer has an existing legally enforceable right to use and control the Site, either in fee simple or under leasehold for a term at least equal to the term of the IGP Contract (“Site Control”) as specified in the Proposer’s Proposal (taking into account the timelines set forth in this RFP for selection, negotiation, and execution of a IGP Contract and PUC approval as applicable), and (2) the applicable zoning for the Site and that such zoning does not prohibit the development of the Site consistent with the Proposal; or
- b) Provide documentation confirming, at a minimum, (1) that the Proposer has an executed binding letter of intent, memorandum of understanding, option agreement, or similar document with the landowner (a “binding commitment”) which sets forth the general terms of a transaction that would grant the Proposer the required Site Control, and (2) the applicable zoning for the Site and that such zoning does not prohibit the development of the Site consistent with the Proposal. The binding commitment does not need to be exclusive to the Proposer at the time the Proposal is submitted and may be contingent upon selection of the Proposal to the Final Award Group. If multiple Projects are provided a binding commitment for the same Site, the documents granting the binding commitments must not prevent the Company from choosing the Proposal that otherwise would have been selected.
- c) Government/Public Lands Only: The above two bullet points may not be feasible where government or publicly-owned lands are part of the Site or are required for the successful implementation of the Proposal. In such a case, at a minimum the Proposer must provide a credible and viable plan, including evidence of any steps taken to date, to secure all necessary Site Control for the Proposal, including but not limited to evidence of sufficient progress toward approval by the government agency or other body vested with the authority to grant such approval (as demonstrated by records of the agency). The Proposer will still be required, however, to demonstrate Site Control as required in the IGP Contract should the Proposal be selected to the Final Award Group.

While documentation confirming the Proposer’s acquisition of land rights for the interconnection route is not required at the time of submission of the Proposal, (1) the Proposal must thoroughly describe the interconnection route as set forth in

Attachment B, Section 2.5.4, and (2) the Proposer must provide a credible and viable plan, including evidence of any steps taken to date, to secure all necessary land rights for the interconnection route. If the Proposal is selected to the Final Award Group, and if the Proposer and Company are able to reach agreement on a IGP Contract, it will be the Proposer's sole responsibility to obtain all required land rights within the timeframes set forth in the IGP Contract. The Proposer must also provide a credible and viable plan for obtaining such rights-of-way or easement(s), including the proposed timeline, the identification of all steps necessary to obtain such right-of-way or easement(s), and evidence of any steps taken to date. In addition, developmental requirements and restrictions such as zoning of the Site and the status of easements must be identified and will be considered in determining whether the Proposal meets the Site Control threshold.

2. **Technical and Operational Requirements:** The proposed Facility must be able to meet the performance attributes identified in the Technical and Operational Requirements of the applicable IGP Contract. The Company will review the Proposal information received, including design documents, equipment manuals and capabilities, and operating procedures materials provided in the Proposal, and evaluate whether the Project, as designed, is able to meet the Technical and Operational Requirements of the applicable IGP Contract. At a minimum, in addition to meeting the Technical and Operational Requirements, Proposals shall include acceptable documentation, provided in an organized manner, to adequately support the stated claim that the Facility will be able to meet the Technical and Operational Requirements. The Proposal shall include information required to make such a determination in an organized manner to ensure this evaluation can be completed within the evaluation review period.
3. **Proven Technology:** This criterion is intended as a check to ensure that the technology proposed is viable and can reasonably be relied upon to meet the objectives of this RFP. The Company will only consider Proposals utilizing technologies that have successfully reached Commercial Operations in commercial applications (i.e., a power purchase agreement) at the scale being proposed. Proposals should include any supporting information for the Company to assess the commercial and financial maturity of the technology being proposed. This requirement shall apply to the generation technology, storage technology (if applicable), fuel supply and infrastructure, or any other aspect of the project. The use of any emergent technology should be discussed and explained in Section 2.12 of Appendix B.
4. **Experience of the Proposer:** The Proposer, its affiliated companies, partners, and/or contractors and consultants on the Proposer's Project team must have experience in financing, designing, constructing, interconnecting, owning, operating, and maintaining at least one (1) electricity generation and/or standalone storage project that has reached Commercial Operations, including all components of the project (i.e., paired energy storage or other attributes), similar in size, scope, technology, and structure to the Project being proposed by Proposer. The Company

will consider a Proposer to have reasonably met this Threshold Requirement if the Proposer can provide sufficient information in its Proposal's RFP Appendix B Section 2.13 tables demonstrating that at least one member of the Proposer's team (identified in the Proposal) has specific experience in each of the following categories: financing, designing, constructing, interconnecting, owning, operating, and maintaining projects similar in size and scope to the Project being proposed. Existing facilities must have, at a minimum, a proven history of successful operations, and in lieu of constructing and interconnecting, at least one member of the Proposer's team (identified in the Proposal) that has experience in completing, or demonstrating substantial completion of, a repowering of an existing facility similar to what is being proposed. Existing facilities with no change to its technology or scope may, upon evaluation and approval by the Company, request to be exempted from the designing, constructing, and interconnecting criteria.

5. **Financial Compliance:** The proposed Project must not cause the Company to be subject to consolidation, as set forth in Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic 810, Consolidation ("ASC 810"), as issued and amended from time to time by FASB. Proposers are required to state to the best of their knowledge, with supporting information to allow the Company to verify such conclusion, that the Proposal will not result in the Seller under the IGP Contract being a Variable Interest Entity and result in the Company being the primary beneficiary of the Seller that would trigger consolidation of the Seller's finances on to the Company's financial statements under FASB ASC 810. The Company will perform a preliminary consolidation assessment based on the Proposals received. The Company reserves the right to allow a Proposal to proceed through the evaluation process through selection of the Priority List and work with the Proposer on this issue prior to or during contract negotiations.
6. **Community Engagement:** A comprehensive community engagement and communications plan ("Community Engagement Plan") is an essential roadmap that guides a Proposer as they work with various communities and stakeholders to gain their support for a Project. Proposers must include a Community Engagement Plan, to be submitted as a standalone document, that describes the Proposer's commitment to work with the neighboring community and stakeholders and to provide them timely Project information during all phases of the Project.⁴⁰ Proposers must also submit a plan detailing the amount of funds that the Proposer will commit on an annual basis to providing as community benefits and other community benefits the Proposer intends to provide ("Community Benefits Program").

⁴⁰ Existing facilities are held to the same RFP requirements as newly proposed projects, which includes all requirements for Community Engagement and Cultural Resource Impacts. If assessments required by this RFP have been conducted for an existing facility in the past, and those assessments are still applicable to the project as proposed for this RFP (e.g., contract term) and otherwise comply with the RFP's requirements, they can be submitted as part of the Proposer's Proposal. Please note, however, any assessment submitted will still be subject to and evaluated against the RFP's requirements and scored accordingly. The age of any assessment will also be evaluated especially with respect to whether requirements have since been revised or updated since the date of the prior assessment.

7. Please see Appendix N for complete instructions, details, and minimum requirements for the Community Engagement Plan and Community Benefits Program. Hawaiian Electric will carefully review the Community Engagement Plans and Community Benefits Programs to ensure that outreach to residents, area elected officials and known community leaders and organizations is documented and that the plan is tailored by community and includes the outreach schedule, communication plans and required project information that will be shared in each engagement.
8. **Cultural Resource Impacts:** Proposers must be mindful of the Project’s potential impacts to historical and cultural resources. Proposers must identify: (1) valued cultural, historical, or natural resources in the area in question, including the extent to which traditional and customary native Hawaiian rights are exercised in the area; (2) the extent to which those resources – including traditional and customary native Hawaiian rights – will be affected or impaired by the proposed action; and (3) the feasible action to be taken to reasonably protect any identified cultural, historical, or natural resources in the area in question, and the reasonable protection of traditional and customary native Hawaiian rights in the affected area. Proposers must also have already contracted with a consultant with expertise in this field to begin a cultural assessment for the Project.

Also, at a minimum, Proposers must conduct and provide at least an initial Archaeological Literature Review of existing cultural documentation filed with the State Historic Preservation Division and a Field Inspection Report which identifies any known archaeological and/or historical sites within the project area. If sites are found, Proposers must provide a plan for mitigation from an archaeologist licensed in the State of Hawaii. An Archaeological Literature Review and Field Inspection Report should ideally be submitted at the appropriate Proposal Due Date in Table 2. However, if an Archeological Literature Review and Field Inspection Report is not submitted with the Proposal, it must be submitted three (3) weeks before the Selection of Priority List date in Section 3.1, Table 2. If Proposers are unable to deliver the required cultural documentation with the allocated timeframe due to access and right of entry issues, the Company will work with Proposers to deliver a documented Field Inspection Report prior to signing of the IGP Contract.

9. **Available MW Capacity:** This criterion is intended as a check to ensure that the proposed Project’s Net Nameplate Capacity is within the available MW capacity of the transmission-level line or substation identified for interconnection.⁴¹
10. **Technical Model:** Developing an accurate and functional facility technical model is imperative to commencing the Interconnection Requirement Study phase of the process. This criterion is to check whether Proposers have provided the required

⁴¹ The available MW capacity is verified under the assumption there is only one project interconnecting to the line. Interactions among proposed projects in close proximity with each other will be analyzed when the Company performs load flow analyses as described in Section 4.7 below.

models pursuant to Appendix B, Attachment 4, as well as documentation that Proposers have tested their models under all scenarios prescribed in Appendix B, Attachment 3.⁴²

11. **Project Development and Schedule:** Projects must fully demonstrate (a) there is a reasonable expectation the Project will reach their GCOD specified and (b) the costs are sufficient to build the COIF. Proposer must provide a critical path schedule that is supported by all critical path elements. The Project schedule must account for both the Proposer's facility and interconnection work, as well as identify risks and schedule assumptions. Proposers must also demonstrate there is a reasonable expectation that the COIF costs, including Proposer-build costs, are sufficient.

To meet the requirement described above, Proposals shall include:

- Gantt chart that clearly illustrates the overall integrated schedule and Commercial Operations by the specified GCOD. The Gantt chart shall include realistic task durations, accurate dependencies, tasks that will be fast tracked, as well as slack time and contingencies. The Gantt chart must also include the milestones identified in Appendix H, Section 4 and reflect the appropriate durations associated with such milestones. Proposals must be sure to include permitting and scheduling issues for any system upgrades.
- Proposals shall identify all permits and permit dependencies necessary for the Project and provide realistic durations to obtain such permits. Proposals shall also provide the current status of the permits (ex. permit application identified, permit application submitted, permit received).
- Proposals shall provide a breakdown of high-level Project costs consistent with Appendix H and its estimated Proposer-built COIF costs. Proposers must provide their COIF costs in the template provided in Appendix H, Attachment 1.
- A Proposal's GCOD and cost estimates therein must comply with Section 1.6 of this RFP.

12. **Environmental Compliance and Permitting Plan:** Each Proposal shall include an Environmental Compliance and Permitting Plan. This criterion is intended to evaluate Proposer's awareness and due diligence of potential project environmental impacts and mitigation plans, current site conditions, zoning, permit requirements, and schedule. The required information and plans the Company requires is specified in Section 2.6 of Appendix B. The Company will consider a Proposer to

⁴² An existing facility must submit electrical models as part of its Proposal in response to this RFP. The RFP requires that any existing project's Proposal meet all of the terms of this RFP, including submission of the models that support the Interconnection Requirements Study and as required in Section 2.11 of Appendix B to the RFP. The expectation is that all Proposers, even those with existing facilities, meet all the model requirements in this RFP. As such, models previously provided to the Company, will not be sufficient for meeting the requirements under this RFP. Proposers of an existing Project should contact the Company via the communication method identified in Section 1.7 to clarify any concerns they have about meeting all the model requirements in this RFP.

have met this Threshold Requirement if the Proposer (1) has addressed each item in Section 2.6 of Appendix B, (2) has clearly explained how for any concerns how they plan to mitigate risks and impacts as to not delay the Project, and (3) have provided reasonable timeframes for completing any needed investigations and studies, and acquiring all permits and approvals. A failure of any of the above three steps in either the environmental compliance plan or the permitting plan will result in a failure of the Proposal to meet this Threshold Requirement.

13. **Financial Strength and Financing Plan:** This criterion addresses the comprehensiveness and reasonableness of the financial plan for the Project, as well as assesses the financial strength and capability of the Proposer to develop the Project. Proposers must provide a complete financial plan that addresses the following issues: Project ownership, capital cost and capital structure, sources of debt and equity, and evidence that credit-worthy entities are interested in financing the Project. Proposals must demonstrate the financial strength of Proposer or its credit support providers by providing all information required in Section 2.3.4 of Appendix B to this RFP.

4.4 Initial Evaluation – Price and Non-Price Analysis

Proposals that meet both the Eligibility and Threshold Requirements are eligible Proposals which will then be subject to a price and non-price assessment. The Company will establish two teams to undertake the Proposal evaluation process: a Price Evaluation Team and Non-Price Evaluation Team. The results of the price and non-price analysis will be a relative ranking and scoring of all eligible Proposals. Price-related criteria will account for fifty percent (50%) of the total score and non-price-related criteria will account for fifty percent (50%) of the total score. The initial evaluation of the price-related criteria is explained in Section 4.4.1 and the non-price criteria and methodology for applying the criteria are explained in Section 4.4.2. Additional factors will then be evaluated, with points awarded to or deducted from the total score. The evaluation of the additional factors considered is explained in Section 4.4.3.

The Company will employ a closed-bidding process for this solicitation in accordance with Part IV.H.3 of the Revised Framework where the price models to be used will not be provided to Proposers. However, the Company will identify the non-price rubrics within the RFP and provide the Independent Observer with all necessary information to allow the Independent Observer to understand the evaluation models and to enable the Independent Observer to observe the entire analysis to ensure a fair process.

4.4.1 Initial Evaluation of the Price Related Criteria

For the initial price analysis, the Company will complete a levelized price calculation for each Project based on the contracted energy output (e.g., NEP) and/or capacity (e.g., MW, Contract Firm Capacity) using the fixed and variable pricing (as applicable pursuant to the IGP Contract type).

In order to fairly evaluate Proposals with different technologies and characteristics, the Company will group Proposals into technology-based and storage-based evaluation categories,⁴³ dependent on the types and quantities of Proposals received in this RFP. For example⁴⁴: (1) Wind generation (MWh) only; (2) Wind generation (MWh) and Energy storage; (3) Solar generation (MWh) and Energy storage; (4) Standalone Energy Storage (MW/MWh); (5) Firm synchronous generation (MW).

The Eligible Proposal with the lowest LEP in each evaluation category will receive 500 points. All other eligible Proposals in that evaluation category will receive points based on a proportionate reduction using the percentage by which the Eligible Proposal's LEP exceeds the lowest LEP in that evaluation category. Scores will be limited to a minimum floor of zero (0) points. For example, if a Proposal's LEP is ten percent (10%) higher than the lowest LEP in that evaluation category, the Proposal will be awarded 450 points (that is, 500 points less 10%). The result of this assessment will be a ranking and scoring of each Proposal within each evaluation category.

In instances where Proposers offer a Proposal variation for the same resource type in the same electrical location (i.e., POI), only the highest scoring variation for that location and technology type will be considered for the Priority List.

4.4.2 Initial Evaluation of the Non-Price Related Criteria

For the non-price analysis, each Proposal will be evaluated on each of the eight (8) non-price criteria categories set forth in Section 4.4.2.1 below. The non-price score accumulated after evaluation of such criteria is subject to reduction based on a new Previous Performance evaluation described in Section 4.4.3.1 below.

4.4.2.1 Non-Price Criteria and Scoring

The non-price criteria are as follows and further described below:

1. Community Engagement
2. Project Development and Schedule
3. Technical and Operational Requirements
4. Experience and Qualifications
5. Proposed Contract Modifications
6. Carbon Emissions
7. Cultural Resource Impacts
8. Community Benefits Program

As described more fully below, a Proposal can receive up to ten (10) points for each of the first three criteria – Community Engagement, Project Development and Schedule,

⁴³ If Proposals with various storage sizes are received in the RFP, different categories based on storage size will be established during the Initial Evaluation to enable the benefits of the Projects' storage to be assessed.

⁴⁴ There may be other technologies that are offered in this RFP. This list is illustrative of how technology-based evaluation categories will be established for the Initial Evaluation. The categorizing of Proposals will depend on the types and quantities of Proposals received in this RFP.

Technical and Operational Requirements – to reflect the impact of these criteria the successful completion of a Project. The remaining non-price criteria will receive numerical scores on a scale of 1 to 5.

1. Community Engagement will be scored on a scale of 1 to 10.
2. Project Development and Schedule receive the total of two sub-scores:
 - a. Schedule: Scored on a scale of 1-5.
 - b. Cost: Scored on a scale of 1-5.
3. Technical and Operational Requirements will be scored on a scale of 1 to 5 and will be double-weighted (e.g., if a Proposal receives a score of 5, it will receive 10 points for this criterion).

The Company's evaluation of the non-price criteria will be based on the materials provided by a Proposer in its Proposal. Acceptance of any Proposal into the Final Award Group shall not be assumed or construed to be an endorsement or approval that the materials provided by Proposer are complete, accurate or in compliance with applicable law. The Company assumes no obligation to correct, confirm, or further research any of the materials submitted by Proposers. Proposers retain sole responsibility to ensure their Proposals are accurate and in compliance with all laws.

The non-price criteria are:

1. **Community Engagement** – Gaining community support is an important part of a Project's viability and success. An effective Community Engagement Plan will call for early meaningful communications with stakeholders – that include area residents, elected officials and community leaders – and will reflect a deep understanding and respect for the community's desire for information and provide opportunities that enable them to make informed decisions about future projects in their communities. Therefore, Proposals will be evaluated on the quality of the Community Engagement Plan to inform the Project's impacted communities.

Proposals must include a Community Engagement Plan, as set forth in Appendix N, that describes the Proposer's commitment to work with the neighboring community and stakeholders and to provide timely Project information during Project development, construction and operation. Proposals will be scored based on the robustness of the Community Engagement Plan and commitments defined therein, as well as any Pre-selection Community Feedback received on the Proposal, as specified in Section 3.15.1 of this RFP and Section 1.1.k of Appendix N to this RFP, and how the feedback was addressed as needed by the Proposer. The Community Engagement Plan should also include the area elected officials, community leaders, organizations, boards or associations, and other stakeholders engaged by Proposers in the community scoping process, along with the respective feedback collected and how the information is being used to inform the plan and project proposal.

2. **Project Development and Schedule** – Projects that are further along in development generally have lower project execution risk and a greater probability

of being able to be successfully placed into service prior to the GCOD (specifically identified in each Proposal). At a minimum, Proposals should clearly demonstrate how a Proposer plans to reach the proposed GCOD, including identification of risks and schedule assumptions, while capturing applicable tax benefits. Schedules must be created consistent with the instructions in Section 2.14 of Appendix B to this RFP. Schedules must identify the IRS completion date and PUC approval dates assumed. Proposals must also provide a detailed critical path schedule, which integrates both Proposer's facility and interconnection work, as evidence that the Project will be able to reach Commercial Operations as specified. This is particularly important for renewable firm capacity projects, as the need-by date in the RFP is critical to meet. Proposals shall include a Gantt chart that clearly illustrates the overall schedule and demonstrates achievement of Commercial Operations by the proposed GCOD. The Gantt chart shall include task durations and dependencies, identify tasks that will be fast tracked, and identify slack time and contingencies. The Gantt chart must also include the milestones identified in Section 3 of Appendix H and reflect the appropriate durations associated with such milestones.

This criterion will examine whether Proposers have provided the breakdown of high-level Project costs set forth in Section 2.3.2.2 of Appendix B in the Proposal. Proposers must also clearly demonstrate that the costs identified are sufficient to build the COIF. The Company will specifically look to see if the Proposer has included all of the cost line items from Appendix H applicable to the Project type for COIF. As required in Sections 2.4.1.2 and 4.3(10), Proposers must provide COIF costs in the template provided in Attachment 1 to Appendix H. The Company reserves the right to discuss any cost and financial information with a Proposer to ensure the information provided is accurate and correct. Proposers shall be responsible for the final determination of interconnection costs regardless of whether it is higher than what the Proposer has included in its Proposal. A Proposal's schedule and cost estimate information must be consistent with the information submitted to the Company pursuant to Section 1.6 of this RFP.

3. **Technical and Operational Requirements** – The proposed Facility must be able to meet the performance attributes including, but not limited to, Technological and Operational Requirements, identified in the applicable IGP Contract. The Company will review the Proposal information received, including design documents, equipment manuals and capabilities, and operating procedures materials provided to evaluate whether the Project is able to meet the Technical and Operational Requirements identified in the applicable IGP Contract and in this RFP. At a minimum, in addition to meeting the Technical and Operational Requirements, the Proposal should include sufficient documentation, provided in an organized manner, to support the stated claim that the Facility will be able to meet the Technical and Operational Requirements. The Proposal should include information required to make such a determination in an organized manner to ensure this evaluation can be completed on a timely basis. Preference will be given to Proposals that provide detailed technical and design information showing

how each standard can be met by the proposed Facility. Preference will also be given to Proposals whose facilities offer additional capabilities over and above the required performance attributes.

4. **Experience and Qualifications** – Proposals will be evaluated based on the experience of the Proposer in financing, designing, constructing, interconnecting, owning, operating, and maintaining projects (including all components of the project) of similar size, scope and technology. At a minimum, Proposals must show via the table format specified in RFP Section 2.13 of Appendix B that at least one (1) project team member has specific experience in each of the following categories: financing, designing, constructing, interconnecting, owning, operating, and maintaining at least one electricity generation or standalone storage project that has reached Commercial Operations including all components of the project similar to the proposed Project. Proposers of Projects that consist of repowering an existing facility must show via the table format specified in Section 2.13 of Appendix B that at least one (1) project team member has specific experience in each of the following categories: financing, designing, completing a repowering of an existing facility, owning, operating, and maintaining at least one electricity generation project similar to the proposed Project. Preference will be given to Proposers with experience in successfully developing multiple projects that are similar to the proposed Project and/or that have prior experience successfully developing and interconnecting a utility-scale project to the Company’s System within five (5) years of the Proposal Due Date of this RFP. Existing facilities currently in operation that propose utilizing the same interconnection, the same facility technology, and utilizing the same operating team, do not present the same construction risks of a new project and will be scored more favorably.
5. **Proposed Contract Modifications** – Proposers are encouraged to accept the contract terms identified in the applicable IGP Contract in their entirety to expedite the overall RFP process and potential contract negotiations. Proposers that accept the IGP Contract without edits will receive a higher score and will be the only Proposals that can achieve the highest scoring for this non-price evaluation criterion. Technology-specific or operating characteristic-required modifications, with adequate explanation as to the necessity of such modifications, will not jeopardize a Project’s ability to achieve the highest score. Proposers that elect to propose modifications⁴⁵ to the IGP Contract shall provide a Microsoft Word red-line version of the applicable document identifying specific proposed modifications to the IGP Contract language, as well as a detailed explanation and supporting rationale for each modification. General comments without proposed alternate language, drafting notes without explanation or alternate language, footnotes such as “parties to discuss,” or a reservation of rights to make additional modifications to the IGP Contracts at a later time are unacceptable, will be considered unresponsive, and will result in a lower score for this criterion. See also Section 3.11. The Company and Independent Observer

⁴⁵ See Section 3.11.7 for all non-negotiable sections of the IGP Contracts.

will evaluate the impact that the proposed modifications to the applicable IGP Contract will have on the overall risk assessment associated with the evaluation of each Proposal.

6. **Carbon Emissions** – Proposals should provide responses to the Carbon Criteria Questions provided in Section 2.15 of Appendix B, which will be used to score each Project depending on Project-specific design, siting, procurement, construction and O&M information likely to impact the Project’s lifecycle GHG emissions. In line with carbon neutral goals set forth by Hawaiian Electric⁴⁶ and the State of Hawai‘i,⁴⁷ preference will be given to Proposers expected to have lower lifecycle GHG emissions based on the responses to the Carbon Criteria Questions.
7. **Cultural Resource Impacts** – Proposers need to be mindful of the Project’s potential impacts to historical and cultural resources. Proposers should have identified (1) valued cultural, historical, or natural resources in the area in question, including the extent to which traditional and customary native Hawaiian rights are exercised in the area; (2) the extent to which those resources – including traditional and customary native Hawaiian rights – will be affected or impaired by the proposed action; and (3) the feasible action, if any, to be taken to reasonably protect any identified cultural, historical, or natural resources in the area in question, and the reasonable protection of traditional and customary native Hawaiian rights in the affected area.

Prior to the Proposal Due Date, Proposers should also retain a consultant with expertise in this field to begin a cultural assessment for the Project. Proposals will be evaluated on the Proposer’s plan and commitment to addressing cultural resource impacts on their Project, if any. Therefore, Proposers should, at minimum, provide the following documentation, as applicable: (1) Proposer’s or its consultant’s experience with cultural resource impacts on past projects; and (2) the status of the Proposer’s cultural assessment plan. Should the Proposal cite a previously completed cultural assessment of the area, a copy of the assessment document should be included with the Proposal. Proposals will be evaluated on the extent to which their cultural assessment plan has been developed, and preference will be given to Proposals that are further along in the assessment process, including but not limited to, whether a mitigation/action plan has been provided that addresses any identified cultural resource issues, or a date for when such a plan will be available has been identified, or any portions of such plan have been completed.

8. **Community Benefits Program** – Proposers must, in conjunction with other Community Engagement efforts, develop and provide a documented plan for a community benefits program highlighting the amount and distribution of funds that the Proposer will commit on an annual basis to providing as community

⁴⁶ See <https://www.hawaiianelectric.com/about-us/our-vision-and-commitment/climate-change-action>.

⁴⁷ See HRS § 225P-5.

benefits, including other benefits in addition to funding that the proposer intends to provide. Please see Appendix N to this RFP for specific program requirements. Proposals will be evaluated on the extent to which the Community Benefits program is developed, and preference will be given to Proposals accordingly.

The sum of the scores for each individual non-price criteria will make up the non-price score. The Company will then award non-price evaluation points in accordance with the relative ranking of scores within each evaluation category. The Proposal in each evaluation category with the highest total non-price score will receive 500 points, and all other Proposals will receive points equal to the Proposal's score divided by the top score, multiplied by 500.

During the non-price criteria evaluation, a fatal flaws analysis will also be conducted. Any Proposal that does not meet the minimum standards level for three (3) or more non-price criteria will be disqualified, given that the Proposal failed to meet the required number of non-price factors that are indicative as to the general feasibility and operational viability of a proposed Project.

4.4.3 Evaluation of Additional Criteria

In this RFP, the Company will evaluate certain additional criteria that may inform the likelihood of a Project's success or encourage the incorporation of community feedback in the development process. Points will be awarded to or deducted from the Proposer's total score for these additional criteria.

4.4.3.1 Previous Performance Evaluation

This RFP will include a Previous Performance scoring criterion. Based on any underperformance experienced within the past five (5) years of the date of this RFP, unless otherwise stated below, from any Proposer, its parent company, or an affiliate⁴⁸ of such Proposer, the Company will deduct points from the Proposer's total score, based on the infraction. The total point deductions may range from zero (0) to two hundred (200) points. If a Proposer or its affiliate(s) have not been awarded a project by the Company or does not have an existing or past contract with the Company within the past five (5) years, no points will be deducted.

The Company will evaluate Proposers for any past infractions listed below. For purposes of the Previous Performance scoring criterion, a Proposer will include the Proposer, its parent company, or any affiliate of the Proposer. For each of the following infractions identified for any of the Proposer's existing or past projects, points will be deducted, up to a maximum of one hundred (100) points, from the Proposer's total score in this RFP.

⁴⁸ For purposes of the Previous Performance criteria, a Proposer's "affiliate" is defined as an entity that directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with the Proposer, with the term "control" (including the terms "controlled by" and "under common control with") referring to the power to direct or cause the direction of the management and policies of the applicable entity, whether through the ownership of voting securities, by contract, or otherwise.

Any infraction caused by force majeure, as defined in the IGP Contracts, will not be counted into the deductions.

1. Proposer declined a Priority List or Final Award Group invitation. [10 point deduction]
2. Proposer withdrew an awarded project after accepting a Final Award Group invitation. [20 point deduction]
3. Proposer either terminated an executed contract, except for a termination due to an event of default by Company, or declared an executed contract null and void, except for a null and void declaration due to an unfavorable PUC order, and, in either case, the executed contract was not reinstated or otherwise superseded by a subsequent contract. [20 point deduction]
4. Termination of an executed contract by Company due to an event of default by Proposer, or its parent company or affiliate, unless such default was cured by the contracting Proposer, parent company, or affiliate, as applicable in an expeditious manner to the satisfaction of the Company. [20 point deduction]
5. Proposer breached its representations and warranties under the PPA. [5 point deduction]

In addition to the above-referenced infractions, one hundred (100) points shall be deducted from any Proposal's non-price score in the event the Proposer, its parent company, or an affiliate of the Proposer is involved in any pending litigation in which the Proposer, parent company, or affiliate has made claims against the Company or in which the Company has made claims against the Proposer, parent company, or affiliate, which is not subject of a settlement agreement that is currently in effect. This one-hundred-point deduction for involvement in pending litigation is not subject to the maximum of one hundred (100) points that may be deducted for the other Previous Performance criteria described above. As such, a total of up to two hundred (200) points may be deducted from a Proposal's total score for infractions of Previous Performance criteria.

Proposers shall disclose their parent company and affiliates as described in [Appendix B, Section 2.16](#). During the non-price criteria evaluation, should the Company identify any Previous Performance infractions, including the identification of pending litigation, the Company will notify Proposers of any potential deductions and provide them with the opportunity to respond with a written explanation within 5 business days. The Company, in consultation with the Independent Observer, will review the explanations and determine whether there were instances outside of the Proposer's control or otherwise excusable. The Company will finalize deductions with the objective of determining the risk of future under/non-performance based on past experiences.

4.4.3.2 Community Co-Creation

Preference will be given to Proposers who commit to piloting the concept of community co-creation by identifying and working with organizations and leaders in host communities to engage in project development, including community benefits.

As part of the community co-creation concept, Proposers would identify influential community leaders and organizations in host communities through the scoping process, willing to help shape proposed projects and a community benefits program. This would help Proposers better understand the challenges, opportunities, assets, and demographics of the host community. Proposers are also strongly encouraged to review resources such as the Hawai‘i State Energy Office’s community engagement strategy, called Energize Kākou, and the participatory budgeting framework set forth by the Ulupono Initiative.⁴⁹ Through these co-creation and community decision-making efforts, community members will have an opportunity to provide feedback and voice concerns earlier in the planning process. This information from the community can be used by Proposers to improve their overall project, operations, inform strategy, and match community challenges and opportunities with local and organizational assets and advocacy efforts. In recognition of demonstrated co-creation efforts, a maximum of eighty (80) points may be added to the Proposer’s total price/non-price score. For further details of community co-creation plan requirements, please see Section 1.1.1 of Appendix N.

4.4.3.3 Project Siting

Recognizing that limited land is available for renewable projects, up to an additional forty (40) points may be awarded to Projects that are sited in preferred areas and that show efforts to minimize the impacts of development on the environment. These points are split into two areas: 1) Renewable Energy Zones and 2) Land Use and Impervious Cover.

4.4.3.3.1 Renewable Energy Zones

Hawaiian Electric partnered with the National Renewable Energy Laboratory to conduct a preliminary study to identify potential areas on O‘ahu, Hawai‘i island and Maui that may be suitable for future renewable energy projects. This partnership resulted in data-driven maps showing potential “Renewable Energy Zones” (“REZ”) representing where future clean energy projects could potentially be located.

Hawaiian Electric has established prioritized REZ in this RFP based on community feedback and geographic preference.

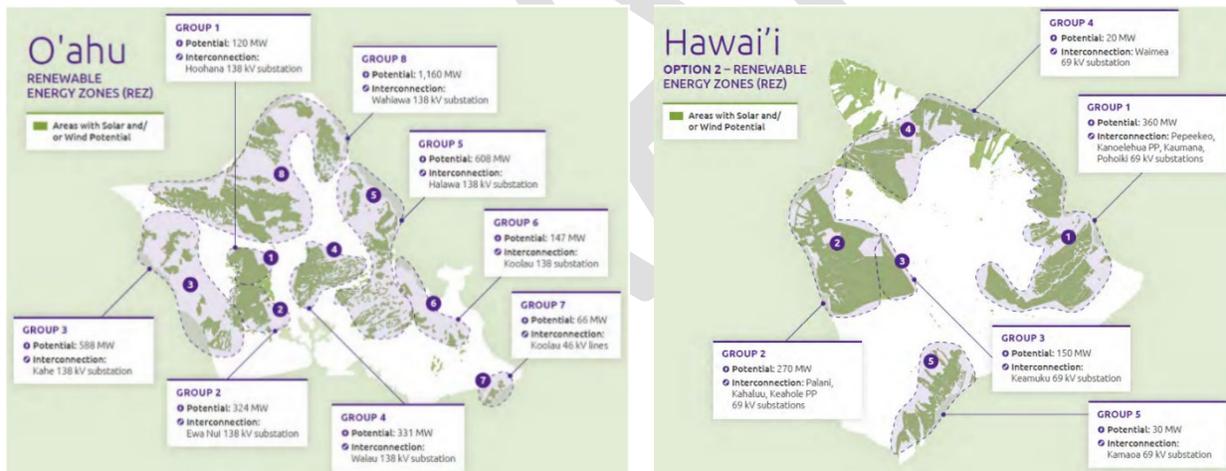
⁴⁹ Energize Kākou website is available at <https://energy.hawaii.gov/get-engaged/energize-kakou/>. The Playbook of community engagement best practices is available at https://energy.hawaii.gov/wp-content/uploads/2022/10/Energize-Kakou-Playbook_FINAL.pdf; Ulupono Initiative’s Participatory Budget Project report, “Let Communities Decide: Using Participatory Budgeting for Renewable Energy Community Benefits Packages”, is available at <https://www.ulupono.com/media/4c1phrv0/pb-for-community-benefits-packages-jan-2023.pdf>

- As part of the IGP and REZ development process, the Company undertook community engagement efforts and invited members of the community to provide feedback on areas of the island that the community is or is not amenable to use for renewable energy projects and to provide other feedback that would be helpful in siting renewable energy projects. This information is available at hawaiipowered.com/rez.
- Additionally, the strong prevalence of generation on the west side of both O‘ahu and Hawai‘i island has been recognized previously in Sections 2.1.1 and 2.3.1 of the RFP. This RFP seeks to promote a more even distribution of resources by incentivizing development in the central, south, and east REZ on each island.

Accordingly, Proposals with Projects sited or interconnected within the following list of prioritized REZ zones will be awarded an additional twenty (20) points to the Proposer’s total price/non-price score:

O‘ahu – Central O‘ahu (Zones⁵⁰ 1, 2, and 4), Ko‘olaupoko (Zone 6), and East Honolulu (Zone 7)

[Hawai‘i – East Hawai‘i (Zone 1) and South Hawai‘i (Zone 5)]



4.4.3.3.2 Land Use and Impervious Cover

Land conversion and construction practices across Hawai‘i have a significant impact on the environment, including water quality, air quality and soil erosion. Mitigating the effects of these impacts can conversely create more livable communities and generate a healthier, better quality of life. The Company encourages Proposers to site Projects on developed lands and to preserve open spaces and agricultural lands:

- Land with greater existing impervious cover;

⁵⁰ For purposes of this section, Groups and Zones are used interchangeably.

- Land zoned industrial or industrial mixed use, commercial or business mixed use, or apartment or apartment mixed use, based on county zoning designations, with a preference in that order; or
- Land deemed as reclaimed, such as brownfield.

Projects that minimize the net increase of impervious cover of a Project site and optimize the use of limited land resources will be awarded up to an additional twenty (20) points.

4.5 Selection of a Priority List

At the conclusion of both the price and non-price analysis, a total score will be calculated for each Proposal using the 50% price-related criteria / 50% non-price-related criteria weighting outlined above. The price and non-price analysis, and the summation of both price and non-price scores described above, will result in a ranking of Proposals within each technology-based evaluation category.

Following the price and non-price scoring, an initial pool of top scoring Proposals for each technology-based category with consideration for electrical location of each resource will be determined. The Company may consider using a computer model to optimize the pool of resources by technology category in order to select Proposals in each technology-based category to advance to the Priority List.

The collective export of portfolios will be reviewed against the existing transmission available MW capacity.

The selection to the Priority List does not assure an eligible Project's inclusion in the selection of the Final Award Group.

Proposers will not be able to update their Proposals based on any feedback provided by the Company after Proposal submission. Pricing components, as explained in Section 3.12.4, will not be allowed to change, except as allowed at the Best and Final Offer stage noted in Section 4.6.

4.5.1 Generation Facility Technical Model Requirements and Review Process

Proposers selected to the Priority List are required to submit a payment of \$12,000⁵¹ to commence with a Generation Facility Technical Model Requirements and Review Process, as prescribed in Section 3 of Attachment 3 to Appendix B. The \$12,000 payment will be used to offset the costs to perform one cycle of model reviews by Hawaiian Electric and its consultants related to the Generation Facility Technical Model

⁵¹ The \$12,000 payment is for review of one variation. If a Proposal has multiple variations that advance to the Priority List, only one variation will be required to perform a model review if all variations utilize the same equipment. Otherwise, additional reviews (and payments) may be required for the variations with different equipment. The feedback provided for the one variation selected can be utilized to assist the Proposer in preparing its models for other Priority List variation(s). The Proposer may request the Company perform a cycle of model reviews on other variations, but each variation request will require a \$12,000 payment.

Review Process. Any feedback provided to Proposers is expected to be actioned and resolved by the Proposer prior to the commencement of the IRS.

In order to minimize the cost and schedule for all Proposers, as well as study the impacts of the portfolio of projects, portions of the System Impact Study will be performed as a group study, requiring all Proposer models to be an accurate, functional model, and deemed suitable by the Company prior to commencement of the study. The IRS process described in [Section 5.1](#) includes a 30-day timeframe for all model reviews to be completed prior to commencement of the group study. Should a Proposer's models not be acceptable at the start of the group study, the Project will be subject to a standalone IRS, which will result in increased cost and potential delays to the Proposer, as the study must be conducted after the group study is completed.

4.5.2 Community Engagement Plan and Cultural Resource Impacts

Within thirty (30) days of notifying Proposers of their selection to the Priority List (which is after the Initial Evaluation where Proposals are scored), the Company will provide feedback to such Proposers on the following portions of their Proposal(s): 1) Community Engagement Plan, 2) Community Benefits Program, and 3) Cultural Resource Impacts. Proposers shall respond to any Company requests for clarification and resolve potential issues identified by the Company related to these specified portions of their Proposal. Proposers will not be able to update their Proposals before selection to the Final Award Group based on any feedback provided by the Company on the Community Engagement Plan and/or Cultural Resource Impacts. Pricing components, as explained in [Section 3.12.4](#), will not be allowed to change, except as allowed at the Best and Final Offer stage noted in [Section 4.6](#).

The methods or means of addressing/resolving the potential issues identified by the Company shall be reflected in updated plan(s) submitted to the Company within five (5) business days of notification of selection to the Final Award Group (see RFP [Section 5.3](#)). Unless the Company otherwise determines, such methods or means of addressing/resolving the potential issues identified by the Company shall be incorporated as additional obligations of the Seller in the negotiated IGP Contract for the Project.

4.6 Best and Final Offer (BAFO)

- 4.6.1 The Company will solicit a Best and Final Offer from Proposers selected to a Priority List in a technology-based evaluation category. All Proposers selected to the Priority List, including any Hawaiian Electric Proposals,⁵² will have the opportunity to update (downward only)⁵³ the pricing elements in their Proposal in order to improve the competitiveness of the Proposal prior to being further assessed in the Detailed Evaluation

⁵² Similar to the Proposal Due Date, if any Hawaiian Electric Proposals or Affiliate Proposals are selected to the Priority List, the Company will require that the Hawaiian Electric Proposal(s) and Affiliate Proposals be submitted a minimum of one (1) day before other Proposals are due.

⁵³ Proposers will only be allowed to adjust pricing elements downward. No upward adjustment to the pricing elements will be permitted or considered. All other characteristics of the Proposal and Facility capabilities must remain valid and unchanged (e.g., NEP, Contract Firm Capacity, GCOD, etc.)

phase. At this point in the process, updates may only be made to the following pricing elements:

- [For PV+BESS, Wind+BESS, Standalone Storage Projects] Lump Sum Payment (\$/year) amount
- [For Firm Projects] Capacity Charge payment (\$/kW/month) and Energy Charge payment (\$/kWh) amount.
- [For Hawaiian Electric Proposals] Total Project Capital Costs (\$/year), Annual O&M Costs (\$/year), ARR (\$/year)

Proposers will not be allowed to increase their price⁵⁴ but may elect to maintain the same pricing submitted in their original Proposal. Proposers will not be allowed to make any other changes to their Proposal during the Best and Final Offer.

- 4.6.2 If a Proposer does not propose improvements to their pricing elements during the Best and Final Offer solicitation, the original Proposal pricing elements will be deemed its Best and Final Offer.⁵⁵
- 4.6.3 To allow Proposers to offer the most competitive pricing while offering protection during these times of market volatility, the Company will allow all Proposals that are selected into the Final Award Group a one-time pricing adjustment of their BAFO-defined Lump Sum Payment amounts for PV and wind Projects and Standalone Storage Projects (or Total Project Capital Costs for the Hawaiian Electric Proposal) based on the difference in the Gross Domestic Producer Price Index between the BAFO submission date and the Commission approval date of the IGP Contract. The price adjustment will be capped to be no greater than a ten percent (10%) adjustment. If there is no inflation during the time period or the index decreases, pricing will remain as bid in the BAFO.

4.7 Detailed Evaluation

The Best and Final Offers of the Priority List Proposals from this RFP will be further assessed in the Detailed Evaluation to determine the Proposals selected to the Final Award Group.

Computer modeling will evaluate integrating the portfolio onto the Company's System using the latest inputs and assumptions in the Integrated Grid Planning proceeding (Docket No. 2018-0165), described further below.

All Proposals from the Priority List will be input into the computer model using the Proposal's performance data (i.e., NEP, Contract Firm Capacity, BESS Contract

⁵⁴ Proposers will not be allowed to increase the pricing in their Proposals to address interconnection and/or System upgrade costs or for any other reason.

⁵⁵ The Company reserves the right, in consultation with the Independent Observer, to adjust the parameters of the BAFO, in the unlikely event that System needs have evolved in a way that the Proposals received do not fully address.

Capacity), and Proposal costs (i.e., Lump Sum Payments, Capacity Charge payments, Energy Charge payments, etc.). An optimal, least-cost resource portfolio will be selected by the computer model, RESOLVE. RESOLVE will be used to determine the optimal type and quantity of resource additions based on a range of constraints such as pricing, GCOD, reliability, operational characteristics and services offered. Note, depending on the number of Proposals on the Priority List, multiple iterations of the computer model may be needed. Additional modeling scenarios or portfolios may also be completed in consultation with the Independent Observer. The evaluation will be based on the costs and benefits to the Company of integrating the combination of Priority List Proposals onto the Company's System which includes:

1. The cost to dispatch the Project or combination of Projects and the energy and storage purchased;
2. The fuel cost savings (benefits) and any other direct savings (IPP savings from dispatchable fossil fuel savings, where applicable) resulting from the displacement of generation by the Priority List Proposals, including consideration of round-trip efficiencies for Facilities with storage;
3. The estimated increase (or decrease) in operating cost, if any, incurred by the Company to maintain System reliability; and
4. The cost of imputed debt, if applicable.

The Company may complete additional analyses of the portfolio in consultation with the Independent Observer to verify other operating requirements are met.

The Company may take into account the cost of rebalancing its capital structure resulting from any debt or imputed debt impacts associated with each Proposal (including any costs to be incurred by the Company, as described above, that are necessary in implementing the Proposal). The Company proposes to use the imputed debt methodology published by S&P that is applicable to the Proposal being evaluated. S&P views long-term PPAs as creating fixed, debt-like financial obligations that represent substitutes for debt-financed capital investments in generation capacity. By adjusting financial measures to incorporate PPA-fixed obligations, greater comparability of utilities that finance and build generation capacity and those that purchase capacity to satisfy new load are achieved. During the Detailed Evaluation and before the Proposals advance to the Final Award Group, the Company will perform load flow analyses to determine if certain Projects or combinations of Projects introduce line constraints that will factor into the selection process. This is to address the possibility that even though sufficient available MW capacity was identified for an individual Project, Projects that are in close proximity with each other could introduce additional line constraints. The Company reserves the right, in consultation with the Independent Observer, to allow minor modifications and/or downsize the project to a Proposal to avoid such additional constraints or the Proposer can choose to perform interconnection upgrades to eliminate the constraints. If such modification resulted in a reduced size of the Facility, the pricing

proposed would also need to be revised. Under no circumstances would a Proposer be allowed to increase its price as a result of such minor modification.

Also in the Detailed Evaluation, other factors will be validated to ensure that the final combination of Projects provides the contemplated benefits that the Company seeks. The Company will evaluate the collateral consequences of the implementation of a combination of Projects, including consideration of the geographic diversity, resource diversity, interconnection complexity, flexibility and latitude of operation control of the Projects, and any development risks associated with new projects as compared to existing projects.

The Company may assess additional combinations of Projects if requested by the Independent Observer and if the time and capability exist to perform such analyses.

4.8 Selection of the Final Award Group

Based on the results of the Detailed Evaluation and review of the results with the Independent Observer, the Company will select a Final Award Group from which to begin contract negotiations. The Company intends to select Projects that meet the targeted needs and provide customer benefits. The Company will notify all Proposers selected to the Priority List whether its Proposal is selected to the Final Award Group.

Selection to the Final Award Group and/or entering into contract negotiations does not guarantee the execution of a IGP Contract.

Up to the announcement of the Final Award Group, should any new legislation for renewable energy be enacted that would offer Proposers further tax credits, the Company reserves the right to require Proposers to provide a downward pricing adjustment reflective of such savings for the benefit of the Company's customers.

Further, if at any time it is discovered that a Proposal contains incorrect or misrepresented information that has a material effect on any of the evaluation processes, including selection of the Priority List or the Final Award Group, the Company reserves the right, at any time prior to submission of the IGP Contract to the PUC for approval ("IGP Contract Application"), in consultation with the Independent Observer, to disqualify the Proposer from the RFP. If discovery of the incorrect or misrepresented information is made after the Company has filed the IGP Contract Application, the Company will disclose the incorrect or misrepresented information to the PUC for evaluation and decision as to whether such Proposer should be disqualified and the IGP Contract Application dismissed.

Following any removal of a Proposal from the Final Award Group, either by disqualification noted immediately above, or via any other removal or withdrawal of a Proposal, including failure to reach agreement to the IGP Contract, the Company, taking into consideration the timing of such removal and the current status of the Company's needs under the RFP, in consultation with and concurrence from the Independent Observer, may review the Priority List to determine (1) if another Proposal should be

added to the Final Award Group; or (2) if the remaining Proposals in the Final Award Group should remain unchanged.

Chapter 5: Post Evaluation Process

5.1 Project Interconnection Process

At Proposal Submission

Development of accurate and functional facility technical model is imperative to the successful completion of the IRS, the accuracy of study results, and, by extension, the reliability of the System. Models must be accurate representations of the Facility and its operation. The Company validates the quality of the models and acceptability for the IRS through a model checkout process. Proposers should have developed, executed, tested, and documented results of their models prior to submitting a proposal.

A complete package of Project Interconnection Requirement Data Request worksheets, Project single-line and three-line diagrams, models (see Appendix B, Attachment 3), and documentation prescribed in Appendix B, Attachment 4, including a report, with plots, documenting that Proposers have tested their models under all scenarios, is required upon Proposal submission. See Section 2.11 of Appendix B.

The models required are set forth in Appendix B, Attachment 4. PSSE Generic models, PSSE User models, and ASPEN models shall be configured to represent all of the functional equipment with settings in place to comply with the Company's IGP Contract performance requirements. These must be checked for functionality by the Proposer or its vendors and consultants prior to submission to the Company (see Appendix B, Attachment 3). Similar and fully accurate PSCAD models shall be submitted in a condition that complies with the PSCAD modeling guidelines provided by the Company.

Post Selection to Final Award Group

Within thirty (30) days after selection of the Final Award Group, final submissions, incorporating any updates, shall be made for the Project data and modelling submittals described above.

The Company will inspect the data packages for general completeness. For any incomplete submissions, a list of missing or non-functional items will be provided. Proposers will be given 15 days to resolve data and modeling deficiencies. The Company, in consultation with the Independent Observer, may remove Proposals from the Priority List or Final Award Group, or may terminate contract negotiations or executed IGP Contracts if their submission requirements are deemed incomplete for the lack of requested models. The Proposal must be complete to begin the IRS process. A formal, technical model checkout will be deferred until a later date when IRS Letter Agreements and deposits are in place, so that the expert subject matter work can be provided by the Company's IRS consultant(s).

Upon notification of selection to the Final Award Group, the Company will provide a draft IRS Letter Agreement for each selected Project, with a statement of required deposit for individual and prorated work as part of an IRS Scope for a System Impact Study that will involve (a) technical model checkout for each project, (b) any considerations that are specific to a particular Project and location, and (c) System impact analyses of the Projects as a group. Interconnection cost and schedule, including cost of any required System upgrades, will be determined in a subsequent Facilities Study.

In order to minimize the cost and schedule for all Proposers, as well as study the impacts of the portfolio of Projects, portions of the System Impact Study will be performed as a group study, requiring all Proposer models to be an accurate, functional model, and deemed suitable by the Company prior to commencement of the study. Within thirty (30) days after selection of the Final Award Group, final submissions, incorporating any updates, shall be made for the Project data and modelling submittals. The IRS process includes a 30-day timeframe, following this model submittal deadline, for all model reviews to be completed prior to commencement of the group study. Should a Proposer's model not be ready by that time, the Project will be subject to a standalone IRS, which will result in increased cost and potential delays to the Proposer, as the study will have to be undertaken after the group study is completed.

The technical model checkouts will be conducted first. Upon identification of any functional problems or deficiencies, corrective action shall be taken immediately and on an interactive basis so that the problems or deficiencies can be resolved within 15 days, including re-submission of data and updated models, or the project shall be deemed withdrawn. At the discretion of the Company and provided that there is a demonstration of good faith action to minimize delay that would affect the schedule for IRS analyses, a second round of model checkout and problem solving may proceed. Thereafter any notice that a Project is deemed withdrawn for lack of completeness shall be final. Subject to consultation with the Independent Observer, failure to provide all requested material within the time(s) specified, or changes to the data provided after the due date(s), shall result in elimination from the Final Award Group.

Proposers shall be responsible for the cost of the IRS, under separate agreements for the System Impact Study and the Facilities Study. Note that the Company will not begin the IRS process until the IRS Letter Agreement is returned fully executed and the Proposer has made the IRS payments noted in the IRS Letter Agreement. The overall IRS will provide information including, but not limited to, an estimated cost and schedule for the required Interconnection Facilities for a particular Project and any required mitigation measures. Proposers will be responsible for the actual final costs of all SOIF and COIF. Upon reviewing the results of the IRS, Proposers will have the opportunity to not move forward with the Project and therefore not complete execution of the IGP Contract in the event that the estimated interconnection costs and schedule for the Project are higher than what was estimated in the Project Proposal. See Section 12.4 of the RDG PPA or the ESPA, or Section 2.2(D) of the Firm PPA.

Proposers should assume, at a minimum, a 12-month process for the completion of the IRS, and the execution and filing of the IGP Contract for approval. Such assumption is

dependent on, among other factors, working and finalized models being timely provided for study by Proposers in accordance with the requirements of this Section 5.1.

5.2 Contract Negotiation Process

Within five (5) business days of being notified by the Company of its intent to enter into contract negotiations, Proposers selected for the Final Award Group will be required to indicate, in writing to the Company's primary contact for this RFP, whether they intend to proceed with their Proposals. Proposers who elect to remain in the Final Award Group will be required to keep their Proposal valid through the award period.

Within 15 days after selection of the Final Award Group, Proposers selected for the Final Award Group will be required to provide the name of its Project Entity for the Project. The Project Entity will be the party that is legally and financially responsible for all agreements with the Company (e.g., IRS Letter Agreement and GHG Letter Agreement, PPA) regarding the Project. Note that for financial transaction purposes, a bank account in the name of the Project Entity must be established.

As described in Section 5.1 above, a draft IRS Letter Agreement will be provided upon notification of selection to the Final Award Group. The IRS process will commence upon payment of the deposit and execution of the IRS Letter Agreement. Contract negotiations will commence in parallel with the IRS process. The IGP Contract will not be executed until completion of the IRS, and any impacts from the IRS are folded into the IGP Contract. The submission of an executed IGP Contract for PUC approval will take place thereafter.

5.3 Community Engagement

The public meeting and comment solicitation process described in Section 3.15 above and this section, as well as Section 29.21 of the IGP Contracts or Section 12.1(L) of the Firm PPA (Community Engagement Plan) do not represent the only community engagement activities that can or should be performed by a Proposer.

The Company will publicly announce the Final Award Group no more than six (6) business days after the notification is given to Proposers who are selected to the Final Award Group. Selected Proposers shall not disclose their selection to the public before the Company publicly announces the Final Award Group selection.

Each Proposer will launch a Project website that will go-live by that sixth (6th) business day after notification of Final Award Group selection and which the Company will then post on the Company's website. Information on what should be included on the Project website is identified in Appendix B.

Within two (2) business days of notification of selection to the Final Award Group, Proposers must provide the Company with an updated comprehensive Community Engagement Plan to work with and inform neighboring communities and stakeholders and to provide them timely information during all phases of the Project. The updated Community Engagement Plan and Community Benefits Plan shall also incorporate the

recommendations of the Company to address potential issues identified in the Company's reviews outlined in Section 4.5.2. The Community Engagement Plan shall include but not be limited to the following information: Project description, identification of Project stakeholders, community concerns and the Proposer's efforts to address such concerns, Project benefits, government approvals, Project schedule, plan for reporting construction related updates, labor and prevailing wage commitment, details regarding the intended beneficiaries of the funds (including recipients, and the area(s) in which the funds will be directed), the methods or means of addressing/resolving the potential issues identified by the Company based on its review (as described in RFP Section 4.5.2), and a comprehensive communications plan which factors in monthly Project status updates. Proposers must provide to the Company the name of the individual designated to implement the Project's Community Engagement Plan.

The Proposer's Community Engagement Plan shall be a public document identified on the Proposer's Project website for the term of the IGP Contract and made available to the public upon request. Proposers shall provide their staged website, including the Community Engagement Plan and Community Benefits Program plan, for Company review and feedback with two business days of notification of selection to the Final Award Group. The Company will endeavor to review such information and provide feedback on the information before it is made available to the public. Proposers shall also provide the URL of the final Project website to the Company within two business days of the notification of selection to the Final Award Group. Further information and instructions regarding expectations for the Community Engagement Plan can be found in Appendix B, Attachments 5 and 6.

Prior to the execution date of the IGP Contract, Proposers shall also host a public meeting in the community where the proposed Project is to be located. The public meeting shall provide to the community it is situated in, other stakeholders and the general public with: (i) a reasonable opportunity to learn about the proposed Project; (ii) an opportunity to engage in a dialogue about concerns, mitigation measures, and potential community benefits of the proposed Project; (iii) an update regarding the Proposer's cultural impact plan, including any findings made and mitigations identified to-date as part of the Archaeological Literature Review and Field Inspection Report; and (iv) information concerning the process and/or intent for the public's input and engagement, including advising attendees that they will have thirty (30) days from the date of said public meeting to submit written comments to Company and/or Proposer for inclusion in the Company's IGP Contract Application and for inclusion on the Proposer's website. The Proposer shall collect all public comments, and then provide the Company copies of all comments received in their original, unedited form. If an IGP Contract is executed by the Proposer and the Company, the Company may submit any and all public comments (presented in its original, unedited form) as part of its PUC application for this Project. Proposers shall notify the public at least thirty (30) days in advance of the meeting. The Company shall be informed of the meeting. The Company has provided Proposers with detailed instructions regarding the community meeting requirement after the selection of the Final Award Group (Attachment 5 to Appendix B). (For example, notice will be published in county and regional newspapers/media, as well as media with statewide distribution, the Proposer will be directed to notify certain individuals and organizations,

and the Proposer will be provided templates to use for the public meeting notices, agenda, and presentation.) Proposers must also comply with any other requirement set forth in the IGP Contract relating to Community Engagement.

Following the submission of the IGP Contract Application for the Project, and prior to the date when the Parties' statements of position are to be filed in the docketed PUC proceeding for the Project, the Proposer shall provide another opportunity for the public to comment on the proposed Project. The Proposer's statement of position filed in the docket associated with the Project will contain an attachment including those comments.

The Proposer shall be responsible for community engagement for the Project in accordance with the requirements ultimately agreed to in the IGP Contract. The public meeting and comment solicitation process described in this section or in the IGP Contract do not represent the only community engagement activities that can or should be performed. The Company will also require (monthly) Project status updates from Proposers to verify the implementation of the Community Engagement Plan and will ensure Proposers provide accessible opportunities for community members and stakeholders to provide public comment as required by the RFP.

5.4 Greenhouse Gas Emissions Analysis

Proposers whose Proposal(s) are selected for the Final Award Group shall cooperate with and promptly provide to the Company and/or Company's consultant(s) upon request all information necessary, in the Company's sole and exclusive discretion, for such consultant to prepare a GHG emissions analysis and report in support of a IGP Contract Application (the "GHG Review"). Proposers shall be responsible for the full cost of the GHG Review associated with their Project under a GHG Letter Agreement between the Proposer and the Company. The GHG Review is anticipated to address whether the GHG emissions that would result from approval of the IGP Contract and subsequent to addition of the Project to the Company's System are greater than the GHG emissions that would result from the operations of the Company's System without the addition of the Project, whether the cost for renewable, dispatchable generation, and/or energy storage services as applicable under the IGP Contract is reasonable in light of the potential for GHG emissions, and whether the terms of the IGP Contract are prudent and in the public interest in light of its potential hidden and long-term consequences.

5.5 Early Engineering

The purpose of early engineering is to start the engineering design ahead of completing the IRS phase utilizing the preliminary facility study. This includes internal engineering for COIF by the Company and review of the Proposer's drawings for the COIF that would be affected by SOIF (typically up to 60%). This is to ensure the schedule remains on track to ensure achieving GCOD. All Projects selected to the Final Award Group that include new COIF or significant changes to existing COIF shall be required to perform early engineering. The commitment to perform early engineering will be included in the written intent to proceed with Proposals. Early engineering will be conducted concurrently with the IRS to provide no less than 60% design engineering of COIF.

Early engineering will be performed at the Proposer's cost and will begin after acceptance of the preliminary facility study (roughly 3 months after execution of the IRS Letter Agreement). An initial payment of at least \$500,000 will be required for early engineering. Final costs will be determined based on the required scope of work.

5.6 PUC Approval

Any signed IGP Contract resulting from this RFP is subject to PUC approval as described in the applicable IGP Contract. Any ancillary PUC approvals required for a Project in addition to approval of the executed IGP Contract are subject to the PUC approval process described in the applicable IGP Contract.

5.7 Facility In-Service

To facilitate timely commissioning of Projects selected through this RFP, the Company requires the following be included with the 60% design drawings: relay settings and protection coordination study, including fuse selection and AC/DC schematic trip scheme.

For the Company to test the Facility, coordination between the Company and Project is required. Drawings must be approved by the Company prior to testing. The entire Facility must be ready for testing to commence. Piecemeal testing will not be allowed. Communication infrastructure and equipment must be tested by the IPP and ready for operation prior to Company testing.

If approved drawings are not available, or if the Facility is otherwise not test ready as scheduled, the Project may lose its place in the queue, with the Company retaining the flexibility to adjust scheduling as it sees fit. If tests are not completed within the allotted scheduled testing time, the Project will be moved to the end of the Company's testing queue. The IPP will be allowed to cure if successful testing is completed within the allotted scheduled time. No adjustments will be made to IGP Contract milestones if tests are not completed within the original allotted time. Daily delay damages for missed milestones will be assessed pursuant to the IGP Contract.

5.8 Archaeological Literature Review and Field Inspection Report

All Projects selected to a Final Award Group must, within five (5) months of selection, complete and submit to the Company a plan for mitigation from an archaeologist licensed in the State of Hawai'i for any archaeological and/or historical sites identified in the completed Archaeological Literature Review of existing cultural documentation filed with the State Historic Preservation Division and a Field Inspection Report.

Any results available at the time of the Community Engagement meeting required prior to IGP Contract execution discussed in [Section 5.3](#) must be presented at that time, along with an update regarding the Proposer's cultural impact plan.