DRAFT

REQUEST FOR PROPOSALS

FOR

COMMUNITY-BASED RENEWABLE ENERGY PROJECTS

FOR

LOW- AND MODERATE-INCOME SUBSCRIBERS

O‘AHU, MAUI AND HAWAI‘I ISLAND

~~MARCH 30~~AUGUST 25, 2021

Docket No. 2015-0389

Appendix A – Definitions

Hawaiian Electric

"Affiliate" means any person or entity that possesses an "affiliated interest" in a utility as defined by section 269-19.5, Hawai'i Revised Statutes ("HRS"), including a utility's parent holding company but excluding a utility's subsidiary or parent which is also a regulated utility.

"Allowed Capacity" has the meaning set forth in the RDG PPA and Mid-Tier SFC.

"Battery Energy Storage System" or "BESS" has the meaning set forth in the RDG PPA and Mid-Tier SFC.

"BESS Contract Capacity" has the meaning set forth in the RDG PPA and Mid-Tier SFC.

"Best and Final Offer" or "BAFO" means the final offer from a Proposer, as further described in Section 4.6 and elsewhere in this RFP.

"CBRE NDA" means the Mutual Confidentiality and Non-Disclosure Agreement attached to this RFP as Appendix E.

"Code of Conduct" means the code of conduct approved by the PUC in Docket No. 03-0372 (Decision and Order No. 23614, August 28, 2007) with respect to a Self-Build Option. An updated code of conduct was submitted to the PUC in Docket No. 2015-0389 on July 9, 2020.

"Code of Conduct Procedures Manual" or "Procedures Manual" means the manual approved by the PUC, which was put in place to address and to safeguard against preferential treatment or preferential access to information in a Hawaiian Electric, Maui Electric, or Hawai'i Electric Light RFP process. The Procedures Manual is attached as Appendix C to this RFP.

"Commercial Operations" has the meaning set forth in the RDG PPA and Mid-Tier SFC.

"Community Outreach Plan" is a community outreach and communication plan described in Section 4.3 and 4.4.2 of this RFP.

"Companies" means Hawaiian Electric Company, Inc., Maui Electric Company, Ltd., and Hawai'i Electric Light Company, Inc., collectively.

"Company" means Hawaiian Electric Company, Inc., Maui Electric Company, Ltd., or Hawai'i Electric Light Company, Inc., each a Hawai'i corporation.

"Company-Owned Interconnection Facilities" has the meaning set forth in Section 1.a of Attachment G of the RDG PPA and Section 1.A of Attachment G of the Mid-Tier SFC.

"Competitive Bidding Framework" or "Framework" means the Framework for Competitive Bidding contained in Decision and Order No. 23121 issued by the Public Utilities Commission on December 8, 2006, and any subsequent orders providing for modifications from those set forth in Order No. 23121 issued December 8, 2006.

"Consumer Advocate" means the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs of the State of Hawai'i.

"Day" means a calendar day, unless the term "business day" is used, which means calendar day excluding weekends and federal and State of Hawai'i holidays.

"DC Coupled Term Sheet" means the Term Sheet for Large CBRE DC Coupled Projects (PV+BESS) which is attached as Appendix ~~M~~L-4, and summarizes the revisions that will be made to the RDG PPA for Large Projects with a single inverter system such that the PV system and BESS are "DC Coupled."

"Development Period Security" has the meaning set forth in the RDG PPA and Mid-Tier SFC.

"Dispatchable" means the ability to turn on or turn off a generating resource at the request of the utility's system operators, or the ability to increase or decrease the output of a generating resource from moment to moment in response to signals from a utility's Automatic Generation Control System, Energy Management System or similar control system, or at the request of the utility's system operators.

"Electronic Procurement Platform" means the third-party web-based sourcing platform that will be used for the intake of Proposals and associated electronic information, storage and handling of Proposer information, and communication.

"Eligibility Requirements" has the meaning set forth in Section 4.2 of this RFP.

"Eligible Proposals" means Proposals that meet both the Eligibility and Threshold Requirements.

"Energy Contract Manager" is the primary Company contact for each island in this RFP.

"Evaluation Team" means agents of the Company who evaluate Proposals.

"Facility" has the meaning set forth in the RDG PPA and Mid-Tier SFC.

"Facility Study" means a study to develop the interconnection facilities cost and schedule estimate including the cost associated with the design and construction of the Company-owned interconnection facilities.

"Final Award Group" means the group of Proposers selected by the Company from a Priority List, with which the Company will begin contract negotiations, based on the results of the Company's detailed evaluation.

-"Greenhouse Gas" or "GHG" are gases that contribute to the greenhouse gas effect and trap head in the atmosphere.

"Guaranteed Commercial Operations Date" or "GCOD" means the date ~~on~~by which ~~a~~the Proposer guarantees that the Facility will first ~~achieves~~achieve Commercial Operations.

"Hawai'i Electric Light" means Hawai'i Electric Light Company, Inc., a Hawai'i corporation.

"Hawaiian Electric" means Hawaiian Electric Company, Inc., a Hawai'i corporation.

"Hawaiian Electric Companies" or "Companies" means Hawaiian Electric Company, Inc. and its subsidiaries, Hawai'i Electric Light Company, Inc. and Maui Electric Company, Limited.

"HRS" means the Hawai'i Revised Statutes as of the date of this Request for Proposals.

"Imputed Debt" means adjustments to the debt amounts reported on financial statements prepared under generally accepted accounting principles ("GAAP"). Certain obligations do not meet the GAAP criteria of "debt" but have debt-like characteristics; therefore, credit rating agencies "impute debt and interest" in evaluating the financial ratios of a company.

"Independent Observer" has the meaning set forth in Section 1.4 of this RFP.

"Independent Power Producer" or "IPP" means an entity that owns or operates an electricity generating facility that is not included in the Company's rate base.

"Interconnection Facilities" means the equipment and devices required to permit a Facility to operate in parallel with, and deliver electric energy to, the Company System (in accordance with applicable provisions of the Commission's General Order No. 7, Company tariffs, operational practices, interconnection requirements studies, and planning criteria), such as, but not limited to, transmission and distribution lines, transformers, switches, and circuit breakers. Interconnection Facilities includes Company-Owned Interconnection Facilities and Seller-Owned Interconnection Facilities.

"Interconnection Requirements Study" or "IRS" means a study, performed in accordance with the terms of the IRS Letter Agreement, to assess, among other things, (1) the system requirements and equipment requirements to interconnect the Facility with the Company System, (2) the Performance Standards of the Facility, and (3) an estimate of interconnection costs and project schedule for interconnection of the Facility.

"kV" means kilovolt.

"Land RFI" refers to a Request for Information activity conducted by the Company to identify interested parties willing to make land available for utility-scale renewable energy projects and gather relevant property information.

"Large Project" means a project greater than 5 MW on O'ahu, and, in the LMI RFP only, greater than 2.5 MW on Maui and Hawai'i Island.

"Levelized ~~Benefit" or "LB~~Program Capacity Price" means a calculation ($/~~MWh~~MW) used for comparison of Proposals based on information provided in the Proposal submission in this RFP.

"LMI Anchor Tenant" is as defined in Tariff Rule No. 29 in Appendix J.

"LMI Subscriber" means either a LMI Customer or LMI Anchor Tenant as defined in Tariff Rule No. 29 in Appendix J.

"Low- and Moderate-Income Customer" or "LMI Customer" is as defined in Tariff Rule No. 29 in Appendix J.

"Lump Sum Payment" has the meaning set forth in the RDG PPA or Mid-Tier SFC. It may also be referred to as a monthly Lump Sum Payment to reflect the portion of the payment made each month.

"Maui Electric" means Maui Electric Company, Ltd., a Hawai'i corporation.

"Maximum Rated Output" has the meaning set forth in the RDG PPA or Mid-Tier SFC.

"Mediation" means the confidential mediation conducted in Honolulu, Hawai'i, pursuant to and in accordance with the Mediation Rules, Procedures, and Protocols of Dispute Prevention Resolution, Inc. (or its successor) or, in its absence, the American Arbitration Association then in effect.

"Mid-Tier Project" means a project between 250 kW and 5 MW, inclusive, on O'ahu and between 250 kW and 2.5 MW, inclusive, on Maui and Hawai'i ~~island~~Island.

"Mid-Tier Standard Form Contract" or "Mid-Tier SFC" means the pre-approved standard form contract that will be used for projects between 250 kW and 5 MW, inclusive, on O'ahu and between 250 kW and 2.5 MW, inclusive, on Maui and Hawai'i ~~island~~Island, in the form of Appendix ~~L~~K of this RFP.

"MW" means megawatt.

"MWh" means megawatt hour.

"NEP" means Net Energy Potential.

"NEP RFP Projection" has the meaning set forth in the RDG PPA and Mid-Tier SFC.

"Non-Price Evaluation Team" means Employees and consultants of the Company who evaluate the Proposal non-price related criteria as set forth in Section 4.4 of this RFP. Non-Price Evaluation Team members will not include any Shared Resources and will be solely made up of Company RFP Team Members.

"O&M" means operation and maintenance.

"Operating Period Security" has the meaning set forth in Section 14.4 of the RDG PPA and Mid-Tier SFC.

"Paired Projects" means a Project proposed that incorporates both an energy generation component and an energy storage component as part of its Facility.

"Performance Standards" means the various performance standards for the operation of the Facility to the Company as set forth in Section 3 of Appendix B, as such standards may be revised from time to time pursuant to Article 23 of the RDG PPA or the Mid-Tier SFC, and as described in Chapter 2 of this RFP.

"Point of Interconnection" or "POI" has the meaning set forth in the RDG PPA and Mid-Tier SFC.

"Power Purchase Agreement" or "PPA" means an agreement between an electric utility company and the developer of a renewable energy generation facility to sell the power generated by the facility to the electric utility company.

"Price Evaluation Team" means Employees and consultants of the Company who evaluate the Proposal price related criteria as set forth in Section 4.4 of this RFP. Price Evaluation Team members will not include any Shared Resources and will be solely made up of Company RFP Team Members.

"Price for Purchase of Electric Energy" is the amount that the Company will pay the Seller for electric energy delivered to the Company in accordance with the terms and conditions of the RDG PPA on a monthly basis as described in Attachment J. This payment will be calculated in terms of dollars per MWh.

"Priority List" means the group of Proposals for each island selected by each Company as described in Section 4.5 of this RFP.

"Project" means a Facility proposed to the Company by a Proposer pursuant to this RFP.

"Proposal" means a proposal submitted to the Company by a Proposer pursuant to this RFP.

"Proposal Due Date" means the date stated in RFP Schedule for IPP and Affiliate Proposals of this RFP.

"Proposal Fee" means the non-refundable fee for each proposal submitted as set forth in Section 1.8 of this RFP.

"Proposer" means a person or entity that submits a Proposal to the Company pursuant to this RFP.

"Proposer's Response Package" means the form in which the Proposal should be submitted, which is attached as Appendix B to this RFP.

"PUC" means the State of Hawai'i Public Utilities Commission.

"RDG PPA" means the Model PV Renewable Dispatchable Generation Power Purchase Agreement that will be used for projects greater than 5 MW in size on O'ahu, and, in the LMI RFP only, for projects greater than 2.5 MW on Maui and Hawai'i Island, attached as Appendix ~~K~~L to this RFP.

"Renewable Portfolio Standards" or "RPS" means the Hawai'i law that mandates that the Company and its subsidiaries generate or purchase certain amounts of their net electricity sales over time from qualified renewable resources. The RPS requirements in Hawai'i are currently codified in HRS §§ 269-91 through 269-95.

"Request for Proposals" or "RFP" means a request for Proposals issued pursuant to a competitive bidding process authorized, reviewed, and approved by the PUC.

"RFP Schedule" means the schedule set forth in Table 2, Section 3.1 of this RFP.

"Round Trip Efficiency" or "RTE" has the meaning set forth in the RDG PPA.

"Self-Build Option" or "SBO" means a Proposal submitted by the Company that is responsive to the resource need identified in the RFP, as required by Section VI of the Framework.

"Self-Build Team" means agents of the Company who develop Self-Build Option proposals.

"Seller" means the entity that the Company is contracting with, as set forth in the RDG PPA and Mid-Tier SFC.

"Seller-Owned Interconnection Facilities" has the meaning set forth in the RDG PPA and Mid-Tier SFC.

"Site" means the parcel of real property on which the Facility, or any portion thereof, will be constructed and located, together with any Land Rights reasonably necessary for the construction, ownership, operation and maintenance of the Facility.

"Site Control" has the meaning set forth in Section 4.3 of this RFP.

"System" means the electric system owned and operated by Hawaiian Electric, Maui Electric, or Hawai'i Electric Light on O'ahu, Maui, or Hawai'i Island, respectively, (including any non-utility owned facilities) consisting of power plants, transmission and distribution lines, and related equipment for the production and delivery of electric power to the public.

"Threshold Requirements" has the meaning set forth in Section 4.3 of this RFP.

Any capitalized term not defined in this RFP has the meaning set forth in the RDG PPA and Mid-Tier SFC.