

10.5.4 Appendix E.4 – Experience Requirement Supplemental Information

2.1 General Requirements

- D. Has experience relevant to tidal power or the offshore wind energy industry, as applicable, including, in the case of a deep-water offshore wind energy pilot project proposal, experience relevant to the construction and operation of floating wind turbines, and has the potential to construct a deep-water offshore wind energy project 100 megawatts or greater in capacity in the future to provide electric consumers in Maine with project-generated power at reduced rates;

RE: 2.1 D General Requirements

Supplemental Explanation:

This RFP requests proposals for projects not to exceed 30 megawatts in total generating capacity, and the Maine Public Utilities Commission has the authority to approve only that level of generation at this time. The selection criteria for the successful applicant includes past experience in applicable fields that demonstrate the capability of developing the proposed project in response to this RFP according to the budget and schedule AND:

- A demonstration by the applicant of related industry experience and capacity to develop a project of 100 megawatts or greater in response to future solicitations and approval by state regulators. Although the goal of the Maine Legislature is to encourage additional future development of deepwater wind and tidal energy, there is no requirement for bidders to propose or commit to build any additional power generation beyond the 30 MW.
- A demonstration by the applicant of the experience and capacity to realize costs savings as greater efficiencies of scale and development processes are refined over time consistent with the overall objective of improving technologies and methods and providing electricity at reduced rates in future projects. .

RE: 2.1 D General Requirements Reduced Rates

Supplemental Explanation: The Maine PUC has not determined or targeted a price for the long term power purchase agreement (PPA). The Maine State Legislature, however, has defined a **Rate Impact Limitation** that the Commission will consider in approving the final price of the PPA. The maximum price allowed under the Rate Impact Limitation may be affected by the inclusion or exclusion of either wind and/or tidal generation, and market forces as suggested in sections **2.2: Price Mitigation** and **2.3: Pricing Structures**. Bidders may run different financial scenarios based on the Rate Impact Limitation to predict the potential results and are encouraged to submit proposals with the best possible pricing plan recognizing the financial requirements of the project, new technology risks, and the best interest of the Maine ratepayers. Additional information with respect to the Rate Impact Limitation is available on the Commission's website at: http://www.maine.gov/mpuc/electricity/rfps/standard_offer/deepwater2010/rate_impact_limitation.html.