

NORTHEAST RENEWABLE LINK

Northeast Renewable Link Transmission Project

Notice of Open Solicitation for Transmission Service

Starting on June 6, 2018 GridAmerica Holdings Inc. (“GridAmerica”) will commence an open solicitation process for capacity on the proposed Northeast Renewable Link transmission project (the “Project”).

The Project is a proposed approximately 23-mile 345kV AC (“HVAC”) transmission line from Rensselaer County, New York to Berkshire County, Massachusetts that will be capable of delivering up to 600 MW. The Project is expected to be available in the 2022 timeframe.

This solicitation is being conducted in accordance with the Federal Energy Regulatory Commission’s January 17, 2013 Final Policy Statement on the Allocation of Capacity on New Merchant Transmission Projects and New Cost-Based, Participant-Funded Transmission Projects and on Priority Rights to New Participant-Funded Transmission (the “Policy Statement”).¹ The purpose of this solicitation is to identify and select a customer or customers with whom GridAmerica will negotiate an allocation of up to 100 percent of the 600 MW of capacity of the Project. While GridAmerica requests responses by June 29 2018, earlier responses are encouraged. If interested parties satisfy the criteria described in this notice, GridAmerica may commence negotiations immediately.

GridAmerica is seeking transmission customers interested in signing contracts for the “Transmission Scheduling Rights” to transport energy, capacity, and/or renewable energy credits (“RECs”) across the Project in the New York to New England direction only. These Transmission Scheduling Rights are for unidirectional Firm Point-to-Point transmission service from the New York end of the Project to the New England end of the Project. As GridAmerica seeks transmission customers, it invites all interested parties to respond to this solicitation.

Schedule

- Responses to this solicitation are welcome through June 29, 2018.
- GridAmerica will select parties with whom to negotiate by July 13, 2018.

Additional information about this solicitation is available at <https://northeastrenewablelink.com/>.

Summary Description of the Northeast Renewable Link

The Project consists of an HVAC overhead transmission line capable of delivering up to 600 MW from the Point of Receipt at the Alps substation in Rensselaer County, NY to the Point of Delivery at the Berkshire substation in Berkshire County, MA. The project queue position is Q#651 in ISO-NE and Q#632 in NYISO.

The Northeast Renewable Link Customer Solicitation

This solicitation has been developed and will be conducted pursuant to guidance outlined by the Policy Statement. The Policy Statement indicates merchant transmission developers may use an open solicitation to select a prospective customer or customers with whom the transmission developer will

¹ 142 FERC ¶ 61,038 (2013).

negotiate on the specific rates, terms, and conditions of procuring transmission capacity on the proposed transmission line, in this instance the Project.

GridAmerica is seeking transmission customers interested in signing contracts for the “Transmission Scheduling Rights” to transport energy, capacity, and/or RECs across the Project in the New York to New England direction only. These Transmission Scheduling Rights are for unidirectional Firm Point-to-Point transmission service from the Alps substation in Rensselaer County, NY to the Berkshire substation in Berkshire County, MA.

As GridAmerica seeks transmission customers, it invites all interested parties to respond to this solicitation.

Criteria for Customer Selection

The Policy Statement advises developers of transmission capacity to specify in their solicitation the criteria that will be used to select transmission customers with whom they will negotiate rates. GridAmerica has established the following threshold criteria and additional metrics to select prospective transmission customers with whom it will negotiate.

Threshold Criteria:

1. Respondents must have investment grade credit according to generally accepted principles in the financial community, or equivalent means of securing credit support for the project’s agreed upon rate structure.
2. Respondents must be willing to sign contracts for 20 years. GridAmerica is willing to consider shorter durations, if a potential customer is bidding a resource into an RFP in New England that would result in a long-term contract, and the tenor of a contract resulting from that RFP is less than 20 years.
3. Respondents must either (a) be in service, or have a projected in-service date on or before that of the Northeast Renewable Link, or (b) take service and pay the agreed upon tariff rate upon COD of the Northeast Renewable Link.

In addition to those criteria, GridAmerica will consider:

1. First mover status.
2. A respondent’s ability to assist with Project development needs, including obtaining necessary siting approvals and governmental and regulatory authorization and requirements.
3. A respondent’s ability to submit the necessary requests for participation in the ISO-NE Forward Capacity Auction associated with the Project’s in-service date and to qualify and receive a Capacity Supply Obligation in that Forward Capacity Auction.
4. A respondent’s level of experience in developing and/or operating generation resources for which they are seeking transmission service.
5. Load respondents’ experience with executing long-term contracts with generation.

GridAmerica will evaluate the responses of prospective customers to this open solicitation based on these criteria. GridAmerica will consider individual as well as joint responses from prospective customers for up to 600 MW of the Project’s Transmission Scheduling Rights.

Respondents to this open solicitation should include the following:

1. The respondent’s credit rating or equivalent means of securing project financing. If the respondent is a generation resource, the respondent’s ability to finance the existing or new

generation project and support the transmission payments over the life of the contracted Transmission Scheduling Rights;

2. The amount of transmission service sought;
3. The anticipated commencement of Transmission Scheduling Rights;
4. The desired length of contract for Transmission Scheduling Rights;
5. Project development experience, or business description if project development is not relevant;
6. A description of the RFP, if any, to which a respondent intends to submit a proposal, and how the proposal will conform or not conform to the criteria of that RFP; and
7. If relevant, any temporal limitations, such as hourly, daily or seasonally, that are associated with the generating resource offered, or of the transmission service requested if respondent is a load-serving entity.

In compliance with the Policy Statement, GridAmerica will select customers whose responses to each of the above criteria and metrics, in the opinion of GridAmerica, most closely match the needs of the Project to be successfully permitted, developed and secure financing.

Next Steps

Responses should be submitted to:

National Grid
Attn: Jorge Ayala
One Metro Tech Center
Brooklyn, NY 11201
(929) 324 - 4896
jorge.ayala@nationalgrid.com

All responses should address the criteria and metrics described in this notice.

Interested parties will have the opportunity to receive electronic updates regarding the Project or schedule a preliminary meeting to discuss transmission service requests by sending a request to the above email address.

GridAmerica anticipates selecting parties with whom to negotiate by July 13, 2018. In the event of potential oversubscription of Project capacity, information will be posted on the Project website to address capacity allocation arrangements. If, through the open solicitation process, it becomes evident that the transmission line could be oversubscribed, GridAmerica will allocate capacity to those customers who value it most highly as reflected by a customer's offered rates, terms, and conditions.

GridAmerica reserves the right to terminate the open solicitation process or withdraw from negotiations with interested counterparties at any time.

About GridAmerica

GridAmerica Holdings Inc. is an indirect wholly-owned subsidiary of National Grid, a Delaware corporation.

National Grid

National Grid (LSE: NG; NYSE: NGG) is one of the world's largest utilities, focused on delivering energy safely, efficiently, reliably and responsibly. National Grid is an international electricity and gas company and one of the largest investor-owned energy companies in the world. We play a vital role in delivering gas and electricity to many millions of people across Great Britain and northeastern US in an efficient, reliable and safe manner.

National Grid Ventures is a separate unit within National Grid plc that operates a broad renewable energy portfolio across the US and UK—focused on accelerating the energy systems of tomorrow for customers. For more information, please visit nationalgrid.com/ventures.