



**CONNECTICUT
CLEAN ENERGY FUND**

LETTER NOTICE

**Project 150 - Round 3 RFP
Important Updates**

April 22, 2008

Dear Interested Project Proposers:

This letter notice is to inform interested project proposers regarding some important updates to the Connecticut Clean Energy Fund's ("CCEF") Request for Proposals for Class I Renewable Development Projects to implement Round 3 of Project 150 ("Revised Round 3 RFP"). The Revised Round 3 RFP has been posted on the CCEF website at www.ctcleanenergy.com effective today, and a description of the important changes to the original Round 3 RFP is provided below.

On April 1, 2008, the CCEF released its original Round 3 RFP. Concurrent with this release, the CCEF filed a motion for a new Locational Marginal Price ("LMP") methodology with the Department of Public Utility Control ("Department"). This new LMP methodology is a 24-month average look-back, set once as of March 31, 2008, for evaluation and contracting purposes. The LMP methodology change is intended to allow for greater revenue certainty for the proposed projects and help streamline the evaluation and approval process.

In a letter ruling dated April 8, 2008, the Department granted the CCEF's motion and adopted the new LMP methodology described above. Additionally, the letter ruling recommended that the CCEF make several minor modifications to its Round 3 RFP. Accordingly, all potential project proposers should be on notice that the Revised Round 3 RFP has been modified as follows:

- The 24-month average look-back LMP methodology is to be set only once as of March 31, 2008.
- The maximum contract capacity is 20 MW;
- Approved projects must participate in the ISO New England's forward capacity market via participation in the Forward Capacity Auction for the commitment period starting June 1, 2013, or earlier;
- Approved projects must agree to accept the Standard Energy Purchase Agreement ("EPA") "As Is", except for technical or project specific revisions required due to a

special feature of a project. Although the CCEF will include what it believes is the most current form of the EPA on its website, it is each project proposer's responsibility to ensure that it has the most current EPA;

- Preference will be given to those projects that are eligible to participate or that have cleared in the Forward Capacity Auction for the commitment periods beginning June 1, 2011 or 2012;
- Additional language has been added to pricing Option 6a to further emphasis on the flexibility that the new pricing option provides to projects wishing to offer lower, more competitive pricing; and
- The Round 3 RFP Information Session is scheduled for Wednesday, May 7, 2008, at 9:30 a.m. at the following location:

Crown Plaza Hotel – Cromwell
100 Berlin Road, Cromwell CT 06416

As a reminder, the CCEF looks forward to receiving all project proposals no later than May 30, 2008.

Sincerely,

Dale A. Hedman
Director, Project Development

CC: CCEF Website and Distribution List