

June 7, 2024

Request for Proposal

For Statewide Value of Solar Study Analyzing the Cost-Benefits of Net Metering

Submission Deadline – June 28, 2024 by 4:30pm

RFP Coordinator: Athena Bi

DELAWARE SUSTAINABLE ENERGY UTILITY, INC. 500 W. LOOCKERMAN ST, SUITE 400 DOVER, DE 19904

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I. Introduction

A. Project Description

Delaware Sustainable Energy Utility ("DESEU") is currently seeking responses to this Request for Proposals ("RFP") from qualified organizations or individuals interested in conducting a statewide value of solar study analyzing the cost-benefit of net metering in Delaware. This request is in response to Governor Carney signing Senate Joint Resolution 3 (SJR 3) on February 28, 2024.

SJR 3 acknowledges "the equitable level of net metering crediting has often been tied to the performance of a cost-benefit study and analysis to properly set the value of the netmetering credit." It further directs "all electric utilities that offer net metering to solar customers are required to participate in the DESEU study and analysis."

The purpose of this study is to determine the value of net metered solar as a cost-benefit study and analysis of net metering including cost burdens and cost shifting, if any. This study will provide an analysis across all electric utilities that offer net metering to solar customers in Delaware.

B. Project Background

Net metering 1.0

The current net metering policy may vary by utility but often includes retail kilowatt-hour crediting for excess generation monthly. Senate Bill 298 modified the net metering rules to increase the net metering cap from 5 percent to 8 percent, cease monetary payment for excess generation at the annualized billing period, and implementation of the non-by passable charges on all customers.

Electric Utilities

- Delmarva Power
- Delaware Electric Cooperative
- Delaware Municipal Electric Corporation Members:
 - City of Dover
 - City of Newark
 - City of New Castle
 - Town of Middletown
 - Town of Clayton
 - Town of Smyrna
 - City of Milford
 - Lewes Board of Public Works
 - City of Seaford

For information on Benefit Cost Analysis and avoided cost for energy efficiency Programs in Delaware please refer to Attachment A

For information on Delaware Renewable Portfolio Standard, including Community Solar provision, please refer to Attachment B

For information of DESEU Contract, please refer to Attachment C

C. DESEU Background

The DESEU is a 501c (3) non-profit organization that serves Delawareans by promoting the use of affordable, reliable clean energy and energy efficiency through its Energize Delaware initiatives. Energize Delaware operates as the premier one-stop shop for connecting and empowering energy consumers with the resources to reduce costs, improve the environment and ensure energy independence for future generations.

Energize Delaware develops and implements energy-efficient solutions and clean energy and air pollution reduction programs. These programs include funding, financing; These programs include funding, financing, and educational programs. These programs include funding, financing and educational programs. In addition, the DESEU provides highly valuable technical and financial services to its clients so that they can make informed decisions regarding their energy future.

Energize Delaware offers programs by fully utilizing the authority granted the DESEU by the State of Delaware to issue tax-exempt bonds, use Regional Greenhouse Gas Initiative (RGGI) funds and bank solar renewable energy credits (SREC). Energize Delaware also utilizes private sector entrepreneurial strategies.

Energize Delaware focuses on building relationships with residents and businesses so that they are motivated to use less energy, generate clean energy and reduce harmful emissions. Energize Delaware serves people of all incomes and housing styles. The organization also serves businesses, industries and institutions from all sectors. The Energize Delaware programs apply to new construction projects, the rehabilitation of existing buildings, transportation projects and innovative technologies.

Respected as an accountable, transparent, effective and nimble non-profit organization, the DESEU operates at the highest standards recognized in its industry.

II. Scope of Work

A. Key Objectives

- Benefit Cost Analysis (BCA) with non-participant rate impact analysis. Given the
 differences among utilities, contractor(s) are expected to present 3 BCAs, one for
 Delmarva Power, Delaware Electric Cooperative, and Delaware Municipal Electric
 Corporation Members.
- Scenario Analysis Baseline Scenario (status quo) and at least one 10-year projection scenario that complies with rules and regulations.
- Report findings and observations and provide recommendations that enhance the effectiveness and minimize cost-shifting of net metering policy in place.

B. Key Tasks

At a minimum, the selected contractor will be required to undertake the following tasks. Proposal should address these tasks in detail:

Task 1: Scope of Work Meeting

Contractor will meet with DESEU staff within 1 week of contract signing and present proposed Benefit Cost Analysis and Scenario Analysis methodologies, Data Collection and Utility Collaboration plan, the project team's qualification and expertise, project timeline and any other activity contractor and DESEU feel pertinent to the study. A final scope of work will be developed based on the outcomes from this meeting. This scope of work will become part of the contract and will become the basis for the value of solar study.

Task 2: Work Plan

The contractor will develop a detailed work plan based on the Scope of Work. The work plan will include a project schedule and a work breakdown. The content shall include:

- a to-do list for utilities with clear deadlines,
- a schedule of contractor's tasks and delivery dates,
- a schedule of meetings and lists of organization attendees,
- a list of specific impacts and specific cost and benefits matrix in the Benefit-Cost Analysis,
- the approach toward the rate impact analysis of non-participants,
- the potential candidates of scenarios and the respective modeling methods and references for each proposed scenario.

This plan must be approved in writing by DESEU before starting the contract.

Task 3: Data collection and Utility Collaboration

It's necessary that the contractor coordinate efforts with regulated utilities for the customer-level and utility-level data vital to the study. DESEU is looking for a data collection plan from the contractor. The data collection should be conducted to minimize the time impact on utilities participating in this evaluation. In other words, the contractor should meet with the utilities to understand what data is available. DESEU is not expecting new customer-level data to be collected at the time of the study. Information provided by utilities will be considered confidential in terms of attribution and shall not be shared with any other party. The contractor should be prepared to sign Non-Disclosure Agreements regarding data transfer with utilities upon request.

The contractor is welcome to use third-party data or references. DESEU and the utility partners can help validate or verify these data to ensure their appropriateness and applicability.

Task 4: Benefit Cost Analysis

The contractor will analyze the data collected from previous tasks to develop estimated social, environmental, policy, and economic impacts at the state and utility levels. The contractor is expected to bring in expertise on the attributes of social, environmental and public health impacts, especially regarding how to quantify them.

At utility level, the contractor can propose grouping some of the utilities into one to reduce the number of BCA. It is important to explicitly discuss the rate impact at the utility level. The contractor shall present non-participant rate impact analysis as part of the benefit cost analysis. If the statewide BCA can resemble some of the utilities' BCA, the contractor won't be expected to duplicate the effort if a note explaining the similarity is included and approved as the scope of work (Task 1) and work plan (Task 2). Some impacts that a contractor may consider includes:

- 1. Energy Generation Impacts
- o Avoided/Incremental Capital Expenditures
- o Avoided/Incremental Fixed Operations and Maintenance Expenditures
- o Avoided/Incremental Variable Production Costs
- o Avoided/Incremental Fuel Hedging Costs
- o Avoided/Incremental Re-Dispatch Costs¹

¹ In some cases, replacement generators may be needed to provide additional electricity when real-time demand exceeds real-time supply. If the supply-demand imbalance is due to shortfalls in solar generation, when the estimated amount of solar energy generation committed in the day-ahead energy market exceeds the amount of solar energy generation available in the real-time energy market, and if the additional generation re-dispatched to compensate for this shortfall is provided by a fossil fuel resource, then there would be an increase in system costs because the electricity from fossil fuel resources is typically more expensive than that from solar resources.

- 2. Transmission System Impacts
- o Avoided/Incremental Capital Expenditures
- o Avoided/Incremental Operations and Maintenance Expenditures
- o Avoided/Incremental Congestion Costs
- o Avoided/Incremental Line Losses Costs
- 3. Distribution System Impacts
- o Avoided/Incremental Capital Expenditures
- o Avoided/Incremental Operations and Maintenance Expenditures
- o Avoided/Incremental Congestion Costs
- o Avoided/Incremental Line Losses Costs
- 4. Market Price Impacts through Demand-Induced Price Effects²
- o Lower/Higher Energy Market Prices
- o Lower/Higher Capacity Market Prices
- o Lower/Higher Ancillary Services Market Prices
- 5. Emissions Impacts (Environmental)
- o Avoided/Incremental Generation Emissions Compliance Costs
- o Avoided/Incremental Generation Emissions Social Costs
- o Avoided/Incremental Supply Chain Emissions Social Costs
- o Avoided/Incremental Renewable Portfolio Standard Compliance Costs
- 6. Other Impacts
- o Avoided/Incremental Local Economic Value Added
- o Avoided/Incremental Reliability Related Economic Losses
- o Avoided/Incremental Program Administration Fees
- o Avoided/Incremental Interconnection Costs
- o Lower/Higher non-participant rate

The degree to which the impact is a net benefit or net cost will depend on the resource assumptions, study time horizon, and data availability. In addition to a snapshot of the status quo, the contractor is expected to estimate the marginal analysis which is vital to generate scenario analysis.

Task 5: Scenario Analysis

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² Behind-the-meter solar generation reduces the demand for electricity from the grid, leading to two distinct price effects. First, higher BTM solar generation reduces the total system demand for electricity, which, in turn, reduces prices for electricity in competitive energy markets. Second, higher BTM solar supply reduces the total system demand for generation capacity, which, in turn, reduces prices in competitive capacity markets.

The contractor will conduct a baseline study of the status quo and at least one 10-year projection. DESEU expects the contractor to take the state's renewable energy portfolio standard, the potential cross-subsidization issue, the state's climate action plan and emission reduction mandates, Federal Energy Regulated Commissions' orders, and the generation fuel mix into consideration when projecting for the future The contractor is expected to propose red flags for cost shifting to help us effectively monitor the state's solar development. The proposal shall include potential candidate scenarios that they find valuable to include in the solar study's value. It is vital to explain the value of each proposed scenario analysis, the budget for each one, the implications, and their respective strengths and weaknesses. The projections will go out no further than 2035. The contractor shall be prepared to work with a DESEU stakeholder group at the kickoff meeting to finalize the scenario selection.

Task 6. Reporting

The contractor will be required to provide to the DESEU point of contact status reports every other week detailing progress toward completion and any obstacles encountered. These status reports will be due by the 1st and 3rd Monday of each month and will include an updated project schedule and work breakdown of future activities. DESEU would prefer to schedule bi-monthly check-in meeting to discuss the status report. All meetings can be conducted virtually. However, if the applicant believes certain meeting shall be in-person, please explain the reasoning in the budget and work plan.

The contractor will provide a preliminary report before December 13th and then a final report to the DESEU point of contact upon completion of all tasks. This draft will be reviewed by DESEU and the stakeholder groups. Please be prepared for at least one meeting to present and discuss the proposal draft before finalization. Comments will be provided to the contractor for clarification as necessary. The contractor will provide to the DESEU point of contact the final version of the report. Graphs and/or tables are recommended for information not easily conveyed in narrative form. The draft and final report must contain, at least, an executive summary, evaluation methodologies, and findings and conclusions.

III. General Information for Respondent

DESEU at its sole discretion reserves the right to alter the dates listed below and/or add to or remove scheduled activities.

A. Accessing the RFP

Entities with an interest in responding to this RFP can download a PDF copy of this document online at https://www.energizedelaware.org/home/rfps/. Amendments, and submitted questions and answers can be found at the same location.

B. RFP Schedule

Event	Estimated Completion Date
RFP Issued	June 7, 2024
Final Day to Submit Questions and Notice of Intent to Apply	June 17, 2024
RFP Due	June 28, 2024
Contractors Presentations, if any	Week of July 8
Contract Award	July 15, 2024
Project Start	Week of July 15
Preliminary Report	December 13,2024
Final report	December 27, 2024

Entities with an interest in responding to this RFP are encouraged to submit a Notice of Intent to Apply via email to RFP Coordinator before the date specified on the RFP schedule. This notice informs DESEU of interested applicants so that any additional information about the RFP may be provided, including responses to written questions. Submission of an "Intent to Apply" email is not a promise or obligation to submit a proposal, and a lack of submitting an "Intent to Apply" does not disqualify or preclude an applicant from submitting a proposal in response to this RFP.

Applicants who have questions about information contained in this RFP may submit questions via email with "Value of Solar Study RFP Question" in the subject line on or before the date specified on the RFP schedule. All proposals must be received through email on or before the date specified on the RFP schedule.

C. RFP Coordinator

Athena Bi

500 W. Loockerman St, Suite 400

Dover, DE 19904

Email: Athena.bi@deseu.org

D. Content of Proposals

Respondents submitting a proposal shall include a technical proposal, a management plan, a budget proposal, and attachments. Each respondent must include a separate electronic pricing file from the rest of the RFP proposal responses. Please use the following outline and criteria:

• A description of the firm's qualifications to conduct value of solar study or Benefit Cost Analysis of distributed solar.

- A technical proposal must include the following elements, and may be provided in outline or chart format:
 - Analysis and activities to be completed
 - Person(s) responsible for each activity
 - The time frame for completion of each activity
 - Type of data to be collected and method of analysis
 - Progress report to DESEU as indicated in the <u>Task 6. Reporting</u>
- A management plan, which includes detailed utility collaboration plan, and a proposed schedule of deliverables, including a kickoff meeting scheduled within 1 week of contract signing.
- Response to each objective and task listed in Section II.
- An estimated budget broken out by task and by individual.
 - Key individuals should be identified by name, with billing rates for each.
 - Budget should also include any travel costs.
 - In addition, the applicant must provide a budget narrative that details each budget category for which funding is allocated, what each expenditure includes and how each of these costs was calculated.
 - DESEU will require a payment schedule based on defined and measurable milestones. Payments for services will not be made before the work is performed. DESEU may require a holdback of contract monies until acceptable performance is demonstrated (as much as 25%).
- Resumes of key staff and subcontractor qualifications.
- Three references from previous impact evaluation clients [if available] with contact information.
- One example of a previous value of solar reports [if available].
- List of subcontractors [if applicable]
- Supplemental Information Include any additional information including resumes, client reference information, and any other material that demonstrates your company's qualification for successfully completing this project. General information provided by Respondent that is not specifically requested in this RFP should be attached separately and clearly labeled "Supporting Materials".

E. Selection Criteria for Applicant Responses

Proposal Components	Maximum Points
Applicant Capacity to Conduct the Evaluation	10
2. Applicant Relevant Experience and Key Staff Expertise	10
3. Technical proposal (Objectives & Tasks)	30
4. Management Plan and Proposed Schedule	25
5. Budget and Budget Narrative	25
Total Point Possible	100

IV. Proposal Submission and Review Process

A. Submission

Respondents who wish to compete for funding for the Energy Assessment Program Evaluation contract must submit **ALL** the following:

- 1. An electronic copy of the entire proposal
- 2. One paper copy of the entire proposal with original signatures

All proposals (electronic and paper) must be submitted to the DESEU office by 4:30 PM EST on **June 28, 2024.** Proposals received after this time will not be accepted, reviewed or evaluated.

Email the electronic copy to: Athena.bi@deseu.org.

Mail or Deliver the original signed paper copy to:

Athena Bi.

Delaware Sustainable Energy Utility

500 W. Loockerman Street, Suite 400

Dover, DE 19904

Any proposal received after the Deadline for Receipt of Proposals date shall not be considered and shall be returned. The proposing vendor bears the risk of delays in delivery and any costs for returned proposals. The contents of any proposal shall not be disclosed as to be made available to competing entities during the negotiation process.

Upon receipt of vendor proposals, each vendor shall be presumed to be thoroughly familiar with all specifications and requirements of this RFP. The failure or omission to examine any form, instrument or document shall in no way relieve vendors from any obligation in respect to this RFP.

B. Format and Length of the Proposal

Proposal should be formatted to letter size, with one-inch margins on all sides, using a font of not less than 12 points. The suggested maximum length of the technical proposal is not more than 40 double spaced pages.

C. Application Review and Award Process

Proposals received by the submission deadline will be reviewed first for technical compliance with the RFP instructions and completeness of the proposal in responding to all

required information. Proposals that pass the initial technical compliance screening will then be read by a team of DESEU staff and rated according to the scoring criteria provided in this RFP.

A recommendation for awarding the contract will be made to the Executive Director and will result in a contract award letter from the DESEU and contract acceptance conditions to be signed and returned by the contractor. The DESEU reserves the right to negotiate the final contract. More information about the contract process will be provided to the successful applicant after the contract's award.

IV. Attachments

Attachment A. Benefit-Cost Analysis for Energy Efficiency Program Evaluation

7 DE Admin Code 2105³

6.2 Benefit-Cost Analysis

6.2.1 Energy Efficiency programs and portfolios in Delaware must meet the benefit-cost requirements outlined in these regulations. PAs shall develop program and portfolio plans to achieve positive net benefits based on the cost-effectiveness test described below. PAs are responsible for providing prospective planned cost-effectiveness test results to EEAC for review at the program and portfolio level. In addition, the IECs and PAs must provide the EEAC with retrospective cost-effectiveness test results at the program and portfolio level. Portfolios shall be developed to maximize long term cost-effectiveness and consider investing in the activities and resources needed to establish the groundwork for programs in the future.

6.2.2 Cost-Effectiveness Test

6.2.2.1 Programs are considered cost-effective when the benefit-cost ratio as determined by the Total Resource Cost (TRC) test is greater than one. The TRC test compares the costs and benefits of energy efficiency programs as a resource option from the perspective of the entire economy. The formula for the TRC test is:

Benefit-Cost Ratio = Benefits / Costs, where:

Benefits = Net Present Value of (Avoided Supply Costs + Other Benefits)

³ https://regulations.delaware.gov/AdminCode/title7/2000/2101.shtml

- Costs = Net Present Value of (Participant Costs + Utility Costs Federal Tax Credits)
- 6.2.2.2 The costs are the total costs of the program, whether incurred by participants or Program Administrators. Costs include:
- 6.2.2.2.1 equipment and installation costs (but only those that are incremental to baseline costs);
- 6.2.2.2.2 increases (or decreases) in operation and maintenance costs;
- 6.2.2.2.3 cost of removal (less salvage value);
- 6.2.2.2.4 administrative costs directly attributable to the programs, and
- 6.2.2.5 costs for EM&V activities, utility performance incentives, and Federal tax credits (as a reduction in cost).
- 6.2.2.3 Benefits include all benefits to the utility, its ratepayers, and other Delaware constituents that result from changes in energy consumption resulting from energy efficiency programs. The benefits calculated in the TRC shall include, when determined by the EEAC to be reasonably quantifiable:
 - 6.2.2.3.1 avoided electric supply costs, based on energy costs in the respective zone of the PJM Regional Transmission Organization;
 - 6.2.2.3.2 avoided electric transmission, distribution, and generation capacity costs, valued at marginal cost for the periods when there is a load reduction, based on relevant costs in the respective zone of the PJM Regional Transmission Organization;
 - 6.2.2.3.3 reduced SREC and RECs requirements;
 - 6.2.2.3.4 avoided gas supply and delivery costs;
 - 6.2.2.3.5 the effect of lower prices for electric and gas energy and capacity in wholesale markets resulting from reductions in the quantity of energy and capacity sold in those markets, sometimes referred to as Demand-Reduction-Induced Price Effect (DRIPE);
 - 6.2.2.3.6 Avoided costs of energy savings in fuels other than electricity and natural gas, or from equivalent energy efficiency measures, such as reduction in delivered heating fuel resulting from improvements in the building envelope or other systems; and
 - 6.2.2.3.7 avoided environmental compliance costs, where such costs can be directly tied to changes in energy use.
- 6.2.2.4 The benefits shall be calculated using net savings.

- 6.2.3 To set a standard that allows TRC tests conducted on Delaware's energy efficiency programs and portfolio to be comparable, the following guidance shall be followed.
 - 6.2.3.1 Net present value Cost-effectiveness of an energy efficiency measure, program, or portfolio will be calculated based on the net present value of the costs and benefits valued in the TRC test, discounted over the effective useful life of the measures installed.
 - 6.2.3.2 Discount Rates The discount rate used in energy efficiency and demand reduction cost-effectiveness tests shall be 4.0% on a real basis.
 - 6.2.3.3 EUL Measures installed via Delaware's energy efficiency programs shall have their energy savings counted and valued over the full EUL of the installed measures.
 - 6.2.3.4 With the exception of program-specific data, inputs to cost-effectiveness tests shall not be different for different programs.
- 6.2.4 Although the TRC test will serve as the primary criterion for determining program cost-effectiveness, customer rate and bill impacts shall be provided in portfolio plans to help inform the planning process. The results of additional cost-effectiveness tests may also be reported.
 - 6.2.4.1 Portfolio plans shall include projected customer rate and bill impacts over the three-year program for each customer class.
- 6.3 Energy Impact Baseline
 - 6.3.1 Prescriptive Measures
 - 6.3.1.1 The baseline used for prescriptive measures shall be established in the Mid-Atlantic TRM. Baselines for prescriptive measures shall follow the approaches outlined below.
 - 6.3.1.2 For program models that are market driven, including replace on failure or end of life, new construction, renovation, remodel, or any other reason the customer is already planning to install equipment, the Mid-Atlantic TRM shall use one of the following approaches to establish deemed baselines, unless specified in the Mid-Atlantic TRM to be site or customer-type specific:
 - Code or standard: Energy impact baseline is set at the minimum building code or the minimum appliance standard without compliance adjustments

- Typical Code or Standard with Compliance Adjustment: Energy impact baseline is set at the typically applied building code or appliance standard adjusted for estimated compliance
- * Market Mean or Mode: Energy impact baseline is set at the mean or mode market practice for that equipment, depending on the distribution
 - 6.3.1.3 For programs models that result in equipment replaced earlier than what would have occurred without the program (early replacement or "retrofit"), or where additional or optional equipment is added to existing equipment of systems, the baseline condition is the energy use condition prior to the program-induced change for the remaining useful life of the replaced measure. Once the remaining useful life has expired, the baseline should be established using one of the three methods outlined in subsection 6.3.1.2 and applied to the remaining useful life.

6.3.2 Custom Measures

- 6.3.2.1 Baseline conditions for custom measures will be set for each project being evaluated so that it reflects the typical conditions associated with that custom application, consistent with the above guidelines for prescriptive measures. The IEC will review baseline assumptions established by project engineers, and if appropriate, suggest modifications.
- 6.3.3 EEAC Responsibilities for Energy Impact Baseline
 - 6.3.3.1 Provide guidance to IECs and PAs regarding appropriate baseline approaches, assumptions and estimations.
 - 6.3.3.2 Collaborate with the IECs and PAs on the evaluation efforts and review baseline approaches and savings assumptions to be used in the evaluation efforts ensuring they are developed in a manner consistent with the baseline approach established in these regulations.
 - 6.3.3.3 Work to resolve any disagreements between the IECs and PAs, or other stakeholders, regarding baseline assumptions.
 - 6.3.3.4 Approve any IEC suggested deviations from the required approach for setting baseline conditions if properly justified and explained.
 - 6.3.4 Program Administrator Responsibilities for Energy Impact Baseline
 - 6.3.4.1 Provide guidance to IECs on program baseline assumptions.
 - 6.3.4.2 Develop, in coordination with the IECs, custom baseline assumptions on a project-specific basis to support calculations of custom project gross savings.

6.4 Application of Savings

- 6.4.1 Program results and goal achievement in Delaware shall be reported as Ex-Post Verified Net savings. Gross program savings that are verified by evaluation activities are then adjusted using net-to-gross (NTG) ratios determined as described in subsection 6.4.3.1 to yield an ex-post, verified net savings value.
- 6.4.2 Gross savings will be calculated using the Mid-Atlantic TRM where applicable. For measures not included in the Mid-Atlantic TRM, gross savings will be calculated by other appropriate methods.
 - 6.4.2.1 Gross savings do not account for the effects of free riders, spill over or market effects on the total program savings.
 - 6.4.2.2 For deemed savings, ex-post savings shall be verified by the IEC and may reflect installation rate, quantity, and adjustments for errors in data collection.
 - 6.4.2.3 Custom projects shall require engineering, metering, or other evaluation estimates that will be applied retroactively.
- 6.4.3 Net savings, those savings that are caused by the program's intervention in the market and that account for free riders, participant spillover and market effects, shall be used for purposes of assessing goal achievement and to provide program design and marketing guidance that can support planning for upcoming program years. An assessment of net-to-gross ratios may also be used by the EEAC, and other policy makers to assess when a program should be redesigned or terminated as a part of the Delaware portfolio.
 - 6.4.3.1 The EEAC shall develop or approve NTG ratios to be applied to each program prospectively each year. These NTG ratios can be derived from specific research or from other best available information. The EEAC, in consultation with the IEC, shall agree on NTG values to use going forward, informed by evaluations and all other best available information.
 - 6.4.3.2 Estimated net-to-gross assumptions used in portfolio planning analyses shall be included with the portfolio plan submitted to EEAC.
- 6.4.4 Retroactive vs. prospective savings calculation
 - 6.4.4.1 Changes in deemed energy savings or other deemed assumptions that result from program evaluation shall not be applied retrospectively, but shall be applied to the program and portfolio prospectively in the next program cycle.
 - 6.4.4.2 Changes to deemed savings assumptions shall be coordinated through the annual process of updating the Mid-Atlantic TRM.
- 6.4.5 Transmission and Distribution Losses

6.4.5.1 All transmission and distribution loss factors applied to customer or meter-level savings in order to estimate generation-level savings shall be based on estimates of marginal system line losses rather than average loss factors.

Attachment B. Renewable Portfolio Standard and Community Solar

26 DE Code § 353 (2022)

Community Solar

On September 17th, 2021, the Governor of the State of Delaware signed into law Senate Bill 2, which amended the *Renewable Energy Portfolio Standards Act and the Electric Utility Restructuring Act of 1999* to accelerate the adoption of community-owned solar photovoltaic systems in Delaware and to establish a process relating to community-owned energy generating facilities (CEFS).

Below are some of the key features of this program.

- 4. The community-owned energy generating facility shall not have subscriptions larger than 200 kilowatts constituting more than 60% of its capacity.
- 5. A community-owned energy generating facility shall not exceed a capacity of 4 megawatts.
- 6. The community-owned energy generating facility will retain ownership of all RECs and SRECs associated with the electric energy it produces unless it has relinquished such ownership by contractual agreement with a third party or its customers.
- 7. Projects must be installed within the Delmarva service area.

Visit the above website or see Delmarva's <u>Community Solar Resources</u> page for more information.

Renewable Portfolio Standard

Note: <u>S.B. 33</u>, enacted in February 2021, increased and extended the RPS.

In 2005, <u>S.B. 74</u> established a renewables portfolio standard (RPS) requiring retail electricity supplier to purchase 10% of the electricity sold in the state from renewable sources by compliance year (CY) 2019-2020. S.B. 119 of 2010 increased the RPS to 25% by CY 2025-2026. The RPS was extended again by S.B. 33 of 2021. The RPS applies to the state's investor-owned utilities, retail electric suppliers, municipal utilities, and rural electric cooperatives. Municipal utilities and rural electric cooperatives are allowed to opt out of the RPS requirement if they establish a comparable program to the RPS standards beginning in

2022. Sales to industrial customers with a peak load of more than 1,500 kilowatts (kW) are also exempt from the standard's requirements.

Eligible technologies:

Eligible renewable-energy technologies include solar electric, wind, ocean tidal, ocean thermal, fuel cells powered by renewable fuels, hydroelectric facilities with a maximum capacity of 30 megawatts (MW), sustainable biomass, anaerobic digestion, and landfill gas. The annual compliance benchmarks as revised in July 2010 are listed in the table below. It should also be noted that the PV target is not in addition to the main target, it is included within it.

Compliance Year	Eligible Renewables	PV
2018	17.50%	1.75%
2019	19.00%	2.00%
2020	20.00%	2.25%
2021	21.00%	2.50%
2022	22.00%	2.75%
2023	23.00%	3.00%
2024	24.00%	3.25%
2025	25.00%	3.50%
2026	25.50%	3.75%
2027	26.00%	4.00%
2028	26.50%	4.25%
2029	27.00%	4.50%
2030	28.00%	5.00%
2031	30.00%	5.80%
2032	32.00%	6.60%
2033	34.00%	7.40%
2034	37.00%	8.40%
2035	40.00%	10.00%

Thereafter 40.00% 10.00%

Energy sold or displaced by a customer-sited eligible energy resource can generate renewable energy credits for RPS compliance, provided the system is sited in Delaware. The output from generators of less than 100 kW may be aggregated for RPS compliance. The PSC will certify generation units as "eligible energy resources". Certified generators are entitled to a renewable energy credit (REC) for each megawatt-hour (MWh) of energy they generate. Delaware RECs are tracked by the PJM-EIS Generation Attributes Tracking System (GATS). A REC can generally be used for RPS compliance in any compliance year that begins less than three years after the date the REC is created. The exception to this is when RECs that are held by the Delaware Sustainable Energy Utility (SEU), which is required to act as a REC aggregator for customer-sited renewable energy facilities. The three-year REC lifetime is "tolled", or suspended, during any period in which a REC is held by the SEU. This provision was added by S.B. 173 in July 2009 and revised rules incorporating the change were adopted in December 2009 by the PSC.

Compliance:

Suppliers must submit report an annual report detailing their compliance status. Suppliers who fail to comply with the standard's requirements must pay into the Delaware Green Energy Fund an alternative compliance payment (ACP) of \$25 per MWh of shortfall. The solar ACP (SACP) is \$150 per MWh.

Credit multipliers:

Several compliance multipliers are currently available under the Delaware RPS. The details of these multipliers are described below:

- 300% credit toward RPS compliance for in-state customer-sited photovoltaic generation and fuel cells using renewable fuels that are installed on or before December 31, 2014. The 300% multiplier cannot be applied to SRECs used for compliance with the PV carve-out, thus for PV carve-out compliance purposes, SRECs are counted on a 1-to-1 basis. The 300% credit formerly applied to all solar electric generation prior to the 2007 amendments.
- 150% credit toward RPS compliance for energy generated by wind turbines sited in Delaware on or before December 31, 2012. This provision dates to the 2005 legislation that established the RPS.
- 350% credit for PSC-regulated electric companies (i.e., Delmarva Power & Light, the state's only investor-owned utility) for energy derived from offshore wind facilities sited on or before May 31, 2017. This provision was added by S.B. 328 in 2008.

- An additional 10% credit (i.e., 110% credit) for solar or wind installations sited in Delaware for which at least 50% of the equipment or components are manufactured in Delaware. This was added by S.S. 1 for S.B. 119 in 2010.
- An additional 10% credit (i.e., 110% credit) for solar or wind installations sited in Delaware and installed with a minimum 75% state workforce. This was added by S.S. 1 for S.B. 119 in 2010.

Carve-outs:

As provided in the table above, there is a minimum percentage requirement of the retail electricity sales to be fulfilled by solar PV. The percentage requirement is established by the DPSC.

The passage of <u>S.B. 124</u> in July of 2011 amended the RPS to allow energy output from a Qualified Fuel Cell Provider Project in fulfilling a portion of the requirements under the RPS Act. A qualified fuel cell provider project is a fuel cell power generation project located in Delaware owned and/or operated by a Qualified Fuel Cell Provider. The energy produced by such projects shall fulfill the commission-regulated electric company's state-mandated REC and SREC requirements. The fulfillment of the equivalent of 1 REC is equal to each MWh of energy. These projects will fulfill no more than 30% of the SREC requirements at a ratio of 6 MWh of RECs per 1MWh of SRECs.

Attachment C DESEU Contract Template

SERVICES AGREEMENT CONTRACT

PARTIES

The Parties to this Agreement are <u>Delaware Sustainable Energy Utility</u> (hereinafter	"DESEU") whose
address is 500 W. Loockerman Street, Suite 400, Dover, DE 19901 and	
(hereinafter "Contractor") whose corporate address is	The
parties hereby agree as follows:	

ARTICLE 1. DEFINITIONS

Scope of Work shall be defined in Attachment A.

Service(s) shall mean any labor, skill or advice provided to DESEU pursuant to this Contract.

Subcontractor shall mean any individual, firm, partnership, corporation or contractor, at any tier, having an agreement with Contractor to perform a portion of Contractor's obligations under this Contract.

Work as used herein, shall mean all obligations, duties, requirements, and responsibilities required for the successful completion of the Contract by Consultant, including furnishing of all products and/or Services (supervision, labor, materials, equipment and other supplies, etc., in addition to obtaining all licenses and permits), in accordance with the terms and conditions set forth herein and inclusive of those detailed herein

ARTICLE 2. DESCRIPTION OF WORK

Contractor shall perform Services as assigned under the tasks described in Attachment A, "Scope of Work", attached hereto and by this reference incorporated herein. Except as otherwise provided in this Agreement, Contractor shall be solely responsible for the means, methods, and procedures of performing the Work.

Work shall be performed on a time and expense basis. For all work to be performed by Contractor hereunder, Contractor shall submit a work plan outlining the services to be performed and the budget, deliverables, and time frame for the services. The need for potential work plan modifications shall be proposed by either party upon discovery. If required by DESEU, work assignment numbers may be issued for invoicing purposes. By this reference, each such work plan shall be incorporated into this Agreement and subject to the provisions, terms, and conditions of this Agreement.

ARTICLE 3. PERIOD OF PERFORMANCE

Contractor shall commence performance on the date of execution and shall complete the Work no later than (DATE).

This Agreement may be extended on an annual basis, in one (1) year increments by agreement in writing by both parties. Such extensions will be subject to negotiation of rates and approval by DESEU.

ARTICLE 4. TOTAL COST AND COMPENSATION

It is agreed that the total cost for the services provided under this contract shall not exceed the cost shown in Attachment B, attached hereto and by this reference incorporated herein. The parties may agree to modify the compensation for this contract by mutual written agreement.

Contractor is responsible for costs incurred in excess of the total cost of this contract and DESEU is not liable for such costs.

ARTICLE 5. CONSIDERATION AND PAYMENT, AND REPORTING

As full consideration for the satisfactory performance of Contractor's obligations under this Agreement, DESEU will pay Contractor within forty-five (45) calendar days upon receipt of invoice in accordance with Attachment B "Budget, Hourly Rates and Invoicing", attached hereto and by this reference incorporated herein. DESEU will reimburse Contractor for reasonable and necessary expenses in accordance with Attachment B.

Contractor shall submit to DESEU monthly a proper invoice with a progress report that includes relevant employee names, hours work, hourly rate, and tasks worked on, in accordance with Attachment B, for all Work performed and expenses incurred during the preceding calendar month. DESEU may establish monthly deadlines for receipt of contractor invoices from the preceding calendar month. Invoices received after that date will be processed the next calendar month. Payment shall be contingent upon Contractor's satisfactory compliance with all provisions of the Agreement.

In addition to monthly progress reports attached to invoice, additional regular reporting in the form of progress meetings, quarterly and or annual reports, energy savings reports or other reports as need in accordance with Attachment C are required.

All invoices shall be submitted by email to Athena.Bi@deseu.org with a copy to Fritzy.Rodriguez@deseu.org

ARTICLE 6. TAXES

Contractor is solely responsible for payment of compensation to Contractor's personnel and will withhold and timely pay to appropriate authorities all taxes, contributions, and assessments imposed or required under all laws with respect to payments made to Contractor's Personnel.

ARTICLE 7. ACCOUNTING AND AUDITING

Contractor shall keep accurate and complete accounting records in support of all cost billings and claims to DESEU in accordance with generally accepted accounting principles and as required by Attachment B. DESEU, or its audit representatives, shall have the right at any reasonable time or times to examine, audit and copy the records, vouchers, and their source documents which serve as the basis for compensation other than pricing elements which are fixed in amount by this Agreement. Such documents shall be available for examination, audit, and copying for three (3) years after the completion or termination of this Agreement.

ARTICLE 8. DESIGNATED REPRESENTATIVE AND NOTICES

Prior to commencement of the Work, each Party shall designate a representative authorized to act in its behalf and shall advise the other Party in writing of the name, address, and telephone number of such designated representative, and shall inform the other Party of any subsequent change in such designation. All communications relating to the day-to-day activities under this Agreement shall be exchanged between such designated representatives. Either Party may change the identity or address of its designated representative by giving the other Party written notice of such change.

Any notice by either Party to the other shall be delivered to the office of the designated representative of the other Party, or, if deposited in the mail, properly stamped with the required postage and addressed to the office of such representative.

If to DESEU:		If to Contractor:
	DE Sustainable Energy Utility	
	500 W. Loockerman Street, Suite 400	
	Dover, DE 19904	
	ATTN: Andrew Slater	
	Telephone: 302-883-3048	

ARTICLE 9. PROFESSIONAL RESPONSIBILITY

Contractor shall perform the Work using the standards of care, skill, and diligence normally provided by a professional in the performance of similar Services, and shall comply with all codes and standards applicable to the Work.

In the event of Contractor's failure to do so, Contractor shall, upon notice by DESEU, promptly re-perform the Work and correct any defect or substandard work or services at Contractor's sole cost. Contractor's

obligation to correct and re-perform its Work shall be in addition to, and not in lieu of, any other right that DESEU may have.

ARTICLE 10. INSURANCE AND WORKERS' COMPENSATION

Without limiting any liabilities or any other obligations of Contractor, Contractor shall, prior to commencing Work, secure and continuously carry the following insurance coverage:

Workers' Compensation.

Contractor shall comply with all applicable Workers' Compensation laws and shall furnish proof thereof satisfactory to DESEU prior to commencing Work. All Workers' Compensation policies shall contain provisions that the insurance companies will have no right of recovery or subrogation against the DESEU, its parent, divisions, affiliates, subsidiary companies, co-lessees, or co-venturers, agents, directors, officers, employees, servants, and insurers, it being the intention of the Parties that the insurance as effected shall protect all parties.

Employers' Liability.

Insurance with a minimum single limit of \$1,000,000 each accident, and \$2,000,000 annual aggregate.

Commercial General Liability.

Insurance with a minimum single event limit of \$1,000,000 and a \$2,000,000 annual aggregate to protect against and from all loss by reason of injury to persons or damage to property, including Contractor employees and all third persons, and property of DESEU and all third parties based upon and arising out of Contractor operations hereunder, including the operations of its subcontractors of any tier.

Business Automobile Liability.

The most recently approved ISO policy, or its equivalent, with a minimum single limit of \$300,000 for bodily injury and property damage with respect to Contractor's vehicles whether owned, hired or non-owned, assigned to or used in the performance of the Work.

Professional Liability.

Insurance covering damages arising out of negligent acts, errors, or omissions committed by Contractor in the performance of this Agreement, with a liability limit of not less than \$500,000 each claim. Contractor shall maintain this policy for a minimum of two (2) years after completion of the Work. The intent of this policy is to provide coverage for claims arising out of the performance of Work or Services under this Agreement and caused by any error, omission, breach or negligent act for which the Contractor is held liable.

Umbrella Liability.

Insurance with a minimum limit of \$2,000,000 each occurrence/aggregate where applicable to be excess of the coverage's and limits required in Employers' Liability insurance, Commercial General Liability insurance and Business Automobile Liability insurance above. Contractor shall notify DESEU, if at any time their full umbrella limit is not available during the term of this Agreement, and will purchase additional limits, if requested by DESEU.

ARTICLE 11. INDEMNIFICATION

Each Party specifically and expressly agrees to indemnify, defend, and hold harmless the other Party and its officers, directors, employees and agents (hereinafter collectively "Indemnitees") against and from any and all claims, demands, suits, losses, costs and damages of every kind and description, including attorneys' fees and/or litigation expenses, brought or made against or incurred by any of the Indemnities resulting from or arising out of any negligence or wrongful acts of the Party, its employees, agents, representatives or Subcontractors of any tier, their employees, agents or representatives in the performance or nonperformance of the Parties' obligations under this Agreement or in any way related to this Agreement. The indemnity obligations under this Article shall include without limitation:

- a. Loss of or damage to any property of DESEU, Contractor or any third party;
- b. Bodily or personal injury to, or death of any person(s), including without limitation employees of DESEU, or of Contractor or its Subcontractors of any tier; and
- c. Claims arising out of Workers' Compensation, Unemployment Compensation, or similar such laws or obligations applicable to employees of Contractor or its Subcontractors of any tier.

The invalidity, in whole or part, of any of the foregoing paragraphs will not affect the remainder of such paragraph or any other paragraph in this Article.

In no event shall either party be liable for consequential, special, or indirect damages, including lost profits or lost goodwill, arising from or related to this contract, whether such damages are arising from contract or negligence.

Contractor shall indemnify, defend and hold harmless the Sustainable Energy Utility, and their Directors, employees, representatives, boards and agents from and against any liabilities, suits, actions, demands, claims or losses for personal injury, loss of life or damage to or loss of use of property, together with all costs, expenses, and reasonable attorney fees, arising out of, directly or indirectly, the acts or omissions of the Contractor and its employees, agents or subcontractors in connection with performance of work and services provided under the Contract.

ARTICLE 12. WARRANTIES

Contractor warrants that it shall employ in the performance of the Work only persons qualified for the same. Contractor shall at all times enforce strict discipline and good order among its employees and the employees of any Subcontractor of any tier.

Contractor further warrants that its employees, agents, representatives and Subcontractors shall at all times maintain the highest ethical standards and avoid conflicts of interest in the conduct of Work for the DESEU.

Contractor shall at all times comply with all applicable laws, statutes, regulations, rules, ordinances, codes, and standards, including without limitation, those governing wages, hours, desegregation, employment discrimination, employment of minors, health, and safety. Contractor shall comply with equal opportunity laws and regulations to the extent that they are applicable.

ARTICLE 13. INDEPENDENT CONTRACTOR

Contractor is an independent contractor and all persons employed or contracted by Contractor in connection herewith shall be employees of Contractor and not employees of DESEU in any respect. Nothing in this Agreement shall be deemed to create any contractual relation between the employees or subcontractors of any tier of the Contractor and the DESEU.

ARTICLE 14. COOPERATION WITH OTHERS

Contractor shall fully cooperate and coordinate with DESEU employees and other contractors who may be awarded other work. Contractor shall not commit or permit any act which will interfere with the performance of Work by DESEU employees or other contractors. To the extent Contractor has a claim as a result of the interference or lack of cooperation by another contractor, Contractor's sole remedy shall be against the other contractor.

ARTICLE 15. SUSPENSION OR TERMINATION OF WORK

DESEU may, by written notice, direct Contractor to suspend performance of any or all of the Work for a specified period of time. Upon receipt of such notice to suspend, Contractor shall 1) discontinue Work, 2) place no further orders or subcontracts, 3) suspend all orders and subcontracts, 4) protect and maintain the Work, and 5) otherwise mitigate DESEU's costs and liabilities for those areas of Work suspended.

DESEU may terminate this Agreement at any time without cause prior to its completion by sending to Contractor written notice of such termination. Upon such termination, DESEU will pay to Contractor an equitable amount for all Work satisfactorily performed by Contractor as of the date of termination. DESEU shall not be liable for anticipated profits based upon Work not yet performed.

ARTICLE 16. TERMINATION FOR CAUSE

For purposes of this Agreement, a material default by Contractor shall be the occurrence of any of the following:

a. A breach by Contractor of any of its material obligations under this Agreement, if such breach continues uncured for a period of ten (10) calendar days after receipt of written notice from

DESEU, unless such breach cannot by its nature be remedied within such period in which event Contractor shall provide evidence reasonably satisfactory to DESEU within ten (10) calendar days after receipt of such notice that such breach will be corrected or that Contractor is making reasonable progress to that end. For purposes of the Agreement, a material default by Contractor shall be deemed to include, without limitation, Contractor's refusal or neglect to supply sufficient and properly skilled workmen, materials of the proper quality or quantity, or equipment necessary to perform the Work described in this Agreement properly, or Contractor's failure in any respect to prosecute the Work described in this Agreement or any part thereof with promptness, diligence, and in accordance with all of the material provisions hereof;

- b. A determination that any representation, statement, or warranty made by Contractor in this Agreement, the Contractor's proposal, or any other statement, report, or document which Contractor is required to furnish to DESEU was false or misleading in any material respect;
- c. The filing by or against Contractor of a proceeding under any bankruptcy or similar law, unless such proceeding is dismissed within thirty (30) calendar days from the date of filing; the making by Contractor of any assignment for the benefit of creditors; the filing by or against Contractor for a proceeding for dissolution or liquidation, unless such proceeding is dismissed within thirty (30) calendar days from the date of filing; the appointment of or the application for the appointment of a receiver, trustee, or custodian for any material part of Contractor's assets unless such appointment is revoked or dismissed within thirty (30) calendar days from the date thereof; the attempt by Contractor to make any adjustment, settlement, or extension of its debts with its creditors generally; the insolvency of Contractor; the filling or recording of a notice of lien or the issuance or the obtaining of a levy of execution upon or against a material portion of Contractor's assets, unless such lien or levy of execution is dissolved within thirty (30) calendar days from the date thereof.

Upon the occurrence of a breach or material default specified in this Article, DESEU shall have the right to terminate this Agreement for cause. Upon termination of this Agreement or any portion of this Agreement upon a material default by Contractor, DESEU shall be entitled to pursue any and all rights and remedies that it may have against Contractor under this Agreement or at law or in equity.

ARTICLE 17. EQUAL EMPLOYMENT OPPORTUNITY AND OTHER NONDISCRIMINATION CLAUSES

Contractor shall at all times comply with all applicable laws, statutes, regulations, rules, ordinances, codes, and standards including, without limitation, those governing wages, hours, desegregation, employment discrimination, employment of minors, health, and safety. Contractor shall comply with equal opportunity laws and regulations to the extent that they are applicable.

ARTICLE 18. RELEASE OF INFORMATION – ADVERTISING AND PROMOTION

Contractor shall not publish, release, disclose, or announce to any member of the public, press, official body, or any other third party any information concerning this Agreement and/or the Work, or any part thereof, without the express prior written consent of DESEU, except as required by law. Neither the names

of DESEU, nor the Work Site shall be used in any advertising or other promotional context by Contractor without the express prior written consent of DESEU.

ARTICLE 19. CONFIDENTIAL INFORMATION NONDISCLOSURE

Definition of Confidential Information. As used in this Agreement, the term "Confidential Information" means 1) proprietary information of DESEU, 2) information marked or designated by DESEU as confidential, 3) information, whether or not in written form and whether or not designated as confidential, which is known to Contractor as being treated by DESEU as confidential, 4) information provided to DESEU by third parties which DESEU is obligated to keep confidential, (including but not limited to Contractor's financial information and information relating to an identified or identifiable natural person, whether or not such information is publicly available) and 5) information developed by Contractor in connection with the performance of this Agreement.

<u>Nondisclosure.</u> Contractor agrees that it will not disclose Confidential Information, directly or indirectly, under any circumstances or by any means, to any third person without the express written consent of DESEU.

<u>Protection.</u> Confidential Information will be made available by Contractor to its employees only on a "need to know" basis and only after notifying such employees of the confidential nature of the information and after having obligated them to the nonuse and nondisclosure obligations of this Agreement. Contractor agrees to take all reasonable precautions to protect the confidentiality of

Confidential Information and, upon request by DESEU, to return to DESEU any documents which contain or reflect such Confidential Information. Unless waived by DESEU, Contractor shall require its employees and Subcontractors of any tier to adhere to these confidential information and nondisclosure terms.

ARTICLE 20. OWNERSHIP OF DESIGNS, DRAWINGS AND WORK PRODUCT

All materials delivered hereunder by Contractor or its employees, or Subcontractors or their employees or agents, including documents, calculations, maps, sketches, designs, tracings, notes, reports, data, computer programs, models, and samples shall be considered the property of the DESEU.

Contractor agrees that all Work prepared by it, or its employees, agents, or Subcontractors of any tier, or their employees, under this Agreement which is subject to protection under copyright laws constitutes "work made for hire," all copyrights to which belong to DESEU. Contractor and DESEU agree that title to all materials, including concepts, designs, software, reports, or other data developed by Contractor prior to this Agreement shall remain with the Contractor.

ARTICLE 21. NONEXCLUSIVE RIGHTS

The use of Contractor's services is completely discretionary with DESEU. This Agreement shall not be construed in any way to impose a duty upon DESEU to use Contractor.

ARTICLE 22. ASSIGNMENT

Contractor shall not assign this Agreement, or any part hereof, or any rights or responsibilities hereunder without the prior written consent of DESEU.

ARTICLE 23. SUBCONTRACTS

Contractor shall neither subcontract nor permit any portion of the Work to be subcontracted without the prior written consent of DESEU. Contractor shall be fully responsible for the acts or omissions of any Subcontractors of any tier and of all persons employed by them, and shall maintain complete control over all such Subcontractors.

ARTICLE 24. NON-WAIVER AND SEVERABILITY

The failure of DESEU or Contractor to insist upon or enforce strict performance by the other party of any of the terms of this Agreement or to exercise any rights herein shall not be construed as a waiver or relinquishment to any extent of the first party's right to assert or rely upon such terms or rights on any future occasion.

Any provisions of this Agreement prohibited or rendered unenforceable by law shall be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement.

ARTICLE 25. APPLICABLE LAW AND VENUE

This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without regard to the Delaware's Conflicts of Laws principles. Any litigation between the Parties arising out of or relating to this Agreement will be conducted exclusively in federal or state courts in Delaware and Contractor consents to jurisdiction by such courts.

ARTICLE 26. ENTIRE AGREEMENT/DOCUMENTS INCORPORATED BY REFERENCE

This Agreement and any referenced attachments constitute the complete agreement between the Parties. All understandings, representations, warranties, agreements and any referenced attachments, if any, existing between the Parties regarding the subject of matter hereof are merged into and superseded by this Agreement, which fully and completely expresses the agreement of the Parties with respect to the subject matter hereof. Any scope of work, work assignment, or memo indicating the agreement by the Client project manager for performance of Services, as well as specifications, drawings, schedules or other documents listed in this Contract are incorporated by reference into this Contract.

In the event of a conflict between the terms and conditions of any purchase order or memo authorizing work and those of the Agreement, the terms and conditions of the Agreement shall take precedence and control over any other document.

ARTICLE 27. EXECUTION AND EFFECTIVE DATE

CONTRACTOR: (NAME)	DESEU:
Ву:	Ву:
Signature	Signature
Name:	Name: <u>Drew Slater</u>
Print or Type	Print or Type
Title:	Title: <u>Executive Director</u>
Date:	Date:

ATTACHMENT A

SCOPE OF WORK

ATTACHMENT B

BUDGET, HOURLY RATES AND INVOICING

ATTACHMENT C

Reporting Requirements