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STATE OF MARYLAND



PUBLIC SERVICE COMMISSION

June 10, 2014

Re: PSC #02-19-14 Offshore Wind Analyses and Application Review

Amendment No. 5

Updated Financial Form for Section 3.2.2

To Whom It May Concern:

The Commission has received multiple questions pertaining to Section 3.2.2 - Evaluation of Applications to the Commission for the Approval of a Proposed Offshore Wind Project and how to price this section. Attached is the second updated financial form for this section. This updated financial form permits the applicant to submit a bid price that is comprised of both a fixed component and a variable component.

Section 3.2.2 includes several tasks for which a fixed price is appropriate regardless of the number of applications submitted to the Commission for consideration, such as: attendance at a kick-off meeting; completion of 3.2.2(B) pre-application tasks; preparation of the industry accepted ratepayer impact model, production cost model, and economic input-output models described in 3.2.2(D); and attendance at the hearing contemplated in 3.2.2(E). The applicant should submit a fixed price bid component using the updated financial form that is inclusive of all fixed costs.

Section 3.2.2 also includes several tasks for which a variable price is appropriate, since the extent of the evaluation tasks described in 3.2.2(C) – (E) is dependent on the ultimate number of applications received by the Commission. The Commission will be using five (5) applications as the base number for budgetary purposes, but the applicant should submit a "price per application review." The variable price bid component should be inclusive of all costs associated with the review of one application. Although this component of the bid is technically variable until the close of the application period (at which time the number of applications to be reviewed by the contractor will be known), the "price per application review" is a fixed price for the review of one application and is a firm price for the three (3) year term of the contract.

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If you have questions concerning this amendment please follow the instructions for questions contained in the RFP Section 1.9.

Sincerely,

Dolline Mooney Serra

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