

Application Process for Electricity Licences

1. Manner of Application for Electricity Licences

1.1 An application for an Electricity Licence shall be:

- (a) made in writing in the form prescribed in paragraph 2, addressed to the Authority and delivered or sent by prepaid post to the Authority at its principal office or sent by electronic mail to an address specified by the Authority; and
- (b) signed and dated by or on behalf of the applicant, stating, where signed on behalf of the applicant, the capacity of the signatory.

1.2 Within 15 Business Days of it receiving an application for an Electricity Licence, the Authority shall write to the applicant to:

- (a) confirm receipt of a Proper Application; or
- (b) inform the applicant that its application is incomplete and set out what information and/or documentation the Authority requires in order to be able to start to process the application.

1.3 The Authority will assess a Proper Application within 90 Business Days of its receipt of such application, subject to the applicant's compliance with paragraph 6.1 below.

2. Form of application

2.1 An application in respect of a Bulk Generation Licence shall be made in the form specified in Part 1 of Schedule 1 and shall contain the information specified therein.

2.2 An application in respect of a TD&R Licence shall be made in the form specified in Part 2 of Schedule 1 and shall contain the information specified therein.

2.3 An application in respect of a Large Scale Self-Supply Licence shall be made in the form specified in Part 3 of Schedule 1 and shall contain the information specified therein.

3. Application Fees

3.1 Subject to paragraph 3.2, the prescribed fee in relation to an application of the description specified in the first column of the table in Schedule 2 shall be the corresponding fee specified in the second column of that table.

3.2 Where more than one fee would, but for this paragraph, be payable in respect of a particular application, the prescribed fee shall be the higher or highest such fee.

4. Publication of notice of application

4.1 In accordance with Section 21(3) of the EA, upon receipt of a Proper Application for an Electricity Licence (subject to paragraph 1.2) with the corresponding application fee as set out in Schedule 3, the Authority shall publish a notice on its Official Website

and in the Gazette in respect of such application. The Authority shall publish such notice on its Official Website within 5 Business Days of notifying the applicant pursuant to paragraph 1.2 above and in the Gazette as soon as practicable thereafter.

- 4.2 In accordance with Section 21(3) of the EA, the notice published under paragraph 4.1 shall state:
- (a) the name of the applicant;
 - (b) the objects of the application;
 - (c) that the application will be available for viewing by any member of the public at the Authority's office and on the Official Website;
 - (d) an invitation to the public to make comments;
 - (e) the period within which any comments in relation to the issue of the Electricity Licence may be lodged with the Authority;
 - (f) the address where any comments may be submitted (and that such comments may be made electronically); and
 - (g) such other particulars as may be determined by the Authority.

5. Application for Renewal of Electricity Licences

- 5.1 Applications for the renewal of Electricity Licences should be submitted with the information and documents required under paragraph 2 above to the Authority at least six (6) months before the expiry of their existing licence.

6. Procedures for determination by the Authority of applications for Electricity Licences and applications for renewal of Electricity Licences

- 6.1 During the Assessment Period, the Authority may determine that the application contains an omission or any discrepancies. In this event, pursuant to Section 22(2) of the EA, the Authority shall write to the applicant as soon as possible setting out what further information or documents need to be provided by the applicant to the Authority within the prescribed period to determine the application. The Authority has a responsibility to ensure that licenses are awarded to entities and parties that can participate on a sustainable and viable basis in the Bermuda electricity sector. Therefore, the Authority may decide to request supplemental information in support of an application within a stipulated time pursuant to Section 22(2) of the EA, including any information the Authority may deem necessary for an assessment of the technical and financial aspects of an applicant and application, as well as the operational and business competence of an applicant.
- 6.2 During the Assessment Period, the Authority shall be entitled to consider comments from members of the public, pursuant to the Authority's rules of practice and procedure regarding public consultations under Section 70 of the RAA.
- 6.3 Upon completion of its assessment, the Authority will decide whether it will:

- (a) grant an Electricity Licence with conditions; OR
- (b) grant an Electricity Licence without conditions; OR
- (c) propose to refuse the applicant's application for an Electricity Licence in which case paragraph 6.5 below applies.

6.4 The Authority may grant an Electricity Licence provided:

- (a) the applicant has paid the relevant application fee;
- (b) the applicant has paid the required Government authorisation fees;
- (c) the Authority decides such grant is consistent with the purposes of the EA and any Ministerial directions made regarding the structure of the electricity sector pursuant to the EA;
- (d) the applicant has provided a Proper Application;
- (e) the applicant has provided any further information required by the Authority pursuant to paragraph 6.1 above.

6.5 The Authority may propose to refuse to grant an Electricity Licence if:

- (a) the applicant has failed to pay the relevant application fee;
- (b) the applicant has failed to pay the required Government authorisation fees;
- (c) the grant of such licence is not consistent with the purposes of the EA and any Ministerial directions made regarding the structure of the electricity sector pursuant to section 8 of the EA;
- (d) any person(s) named in the application are disqualified to any extent from acting in connection with the affairs of any company;
- (e) any person(s) or entity named in the application are undischarged bankrupts, have been declared insolvent or are subject to a voluntary arrangement with creditors;
- (f) any person(s) or entity named in the application has an unspent criminal conviction;
- (g) any person(s) or entity named in the application has unsatisfied court judgment(s);
- (h) the applicant, or any person or entity named in the application has previously had a licence application refused or a licence revoked;
- (i) the applicant is insolvent;
- (j) the Authority considers information supplied to be false or misleading; and,

- (k) the applicant has failed to provide, when requested, additional information within the required time.

- 6.6 If the Authority proposes to refuse an application, the Authority will provide a written notice to the applicant. Such notice will state that the Authority proposes to refuse the application, the reasons why the Authority proposes to refuse the application and the time within which representations may be made by the applicant. The applicant will have 21 days from the date of the notice to make representations about why it disagrees with the Authority's proposal to refuse the application and to provide any further information required. The Authority shall consider any representations duly made. If the applicant does not make any representations within 21 days of the notice, or if after considering any representations, the Authority is still of the view that the application should be refused, the applicant will be notified in writing of the decision to refuse the licence. Such notification will, where no representations have been made, restate the reasons for the refusal of the application; and where representations were made, state the reasons for the refusal of the application, referring to the representations made where appropriate.
- 6.7 On granting an Electricity Licence, the Authority will send to the successful applicant a signed and sealed licence to the address indicated in section 2.1 of the applicant's form of application.

SCHEDULE 1

Part 1: Form of Application in respect of a Bulk Generation Licence

1 Purpose of the Application

On 28 April 2020, a Bulk Generation Licence – Renewable Energy (Licence Number: BG202004280) (the “**Licence**”) was issued by the Regulatory Authority of Bermuda (the “**Authority**”) to Saturn Solar Bermuda 1 Ltd. (“**SSB1L**”).

In accordance with the terms of Condition 16.1 set out in the Licence, we wish to advise the Authority of a proposed change of control of the licensee (SSB1L).

As the Authority’s records will show, all the issued shares of SSB1L are currently owned by Saturn Solar Bermuda Holdings Ltd. (“**Holdings**”), an exempted company that is owned by Saturn Power International Inc., an Ontario corporation.

Saturn Power International Inc. has entered into a sale and purchase agreement dated 13 September 2021 (the “**Sale and Purchase Agreement**”) with FB Solar LLC, a Bermuda exempted limited liability company (the “**New Parent**”), pursuant to which, subject to certain conditions, including various regulatory and commercial consents, Saturn Power International Inc. will transfer all of the shares in Holdings to the New Parent, such that the New Parent will become the sole shareholder of Holdings and the indirect parent of SSB1L following the transfer (the “**Transfer**”).

One of the conditions to the Transfer under the Sale and Purchase Agreement is that the Company receives the consent of the Authority to the change of control of the licensee (SSB1L).

On behalf of SSB1L and the New Parent, we request the Authority’s consent to the change of control of the licensee (SSB1L). With respect to this request for consent, we confirm the following:

- (a) the New Parent is wholly owned by Fortress Bermuda Holdings Limited (“**Fund Holdco**”), which, in turn, is wholly owned by Fortress Bermuda Infrastructure Partners (A) LP (known as “**The Bermuda Infrastructure Fund**”), a limited partnership investment fund that was established to invest in Bermuda-based infrastructure projects and which is known to the Bermuda Government, which is an investor therein; and
- (b) the Minister of Finance has granted Fund Holdco a license to carry on business in Bermuda pursuant to Section 114B of the Companies Act 1981, which enables it to make and hold investments in Bermuda, in this case via the New Parent which was incorporated on 25 June 2021 for the purposes of entering into the Sale and Purchase Agreement.

The purpose of this application is to:

- (i) obtain the written consent of the Authority to the change of control pursuant to the provisions of the Licence (in connection with the Licence, the Authority has already been provided with ownership and corporate information in respect of SSB1L and Holdings, and, on that basis, the information provided herein is limited to the new ownership structure as described in (a) above); and
- (ii) provide the Authority with updated information with respect to the original bulk generation licence application submitted by SSB1L on 3 June 2019 (the “**Original BG Application**”) and the 6MW solar facility located on the Finger peninsula of St. David’s Island at the LF Wade International Airport at 3 Cahow Way Street, St. George’s, DD03, Bermuda (the “**Facility**”).

The day to day operations and maintenance of the Project will be outsourced by the New Parent to [REDACTED] The expected commercial operation date for the Project is November 2021.

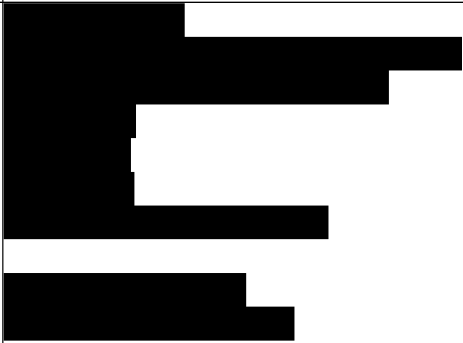
The applicant information provided herein is with respect to FB Solar LLC as the new shareholder of SSB1L effective upon the Transfer and we confirm that the Licence will continue to be held by SSB1L.

- 1.2 Pursuant to Section 21(1) of the Electricity Act 2016 (the “EA”), a person that wishes to obtain or renew a Bulk Generation Licence shall submit to the Authority an application in respect of such licence.
- 1.3 This is an Application to the Authority for a Bulk Generation Licence. Under Section 20(1)(b) of the EA, a Bulk Generation Licence authorises the licence holder to engage in the bulk generation of electricity in Bermuda.

2 Applicant Information



In accordance with Section 23(2) of the EA, please provide the following information on the Project and the Project’s directors, Controllers and Senior Executives.

2.1 Project Information

Name and registered address (if applicable) of applicant in full. In the case of a partnership or other joint venture (other than a body corporate), give the names and addresses of each party concerned and indicate the preferred address for notifications	<p><i>FB Solar LLC Clarendon House 2 Church Street Hamilton HM 11 Bermuda</i></p> <p><i>Note that effective upon the Transfer (as defined in section 1 above) FB Solar LLC will become the sole shareholder of Saturn Solar Bermuda Holdings Ltd. and the indirect parent of SSB1L (the Licence holder).</i></p>
Where the applicant is a body corporate:	
(i) the jurisdiction under which it is incorporated; and	<i>(i) Bermuda</i>
(ii) if applicable, its registered number.	<i>(ii) Registration No. 202100095</i>
Name, address, facsimile number (where applicable), telephone number and electronic mail address of person to whom correspondence or enquiries concerning the application should be directed	
Is this an application to obtain a new licence or renew an existing licence?	<i>New – Change of control</i>

2.2 Information on Project owners, directors, Controllers and Senior Executives

- (a) Provide the following information for all directors, Controllers and Senior Executives of the Site and Project (this evidence may be submitted under confidential cover, pursuant to Sections 33 and 34 of the Regulatory Authority Act (the "RAA")).

Legal name of person	Role (applicant, etc.)	Principal business office address	Social Insurance number	Date of birth	Data Universal Numbering System (DUNS) number (applicant and owners only)
<i>Demetrios Tserpelis</i>	<i>Manager and Treasurer</i>	<i>c/o Fortress Investment Group LLC 1345 Avenue of the Americas 46th Floor New York NY 10105 United States of America</i>	<i>N/A</i>		<i>N/A</i>
<i>Joseph P. Adams, Jr.</i>	<i>President</i>	<i>c/o FTAI Aviation LLC, 415 West 13th Street, 7th floor, New York, NY 10014 United States of America</i>	<i>N/A</i>		<i>N/A</i>

- (b) Describe the legal interests in the Project of each owner and each director, Controller and Senior Executive.

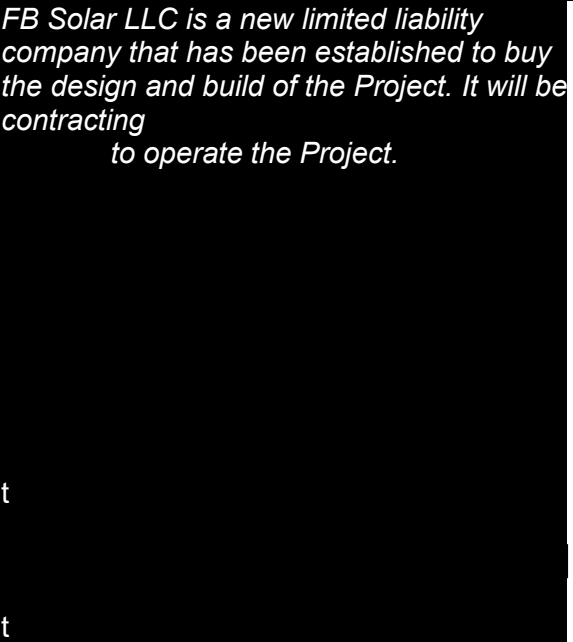
Person	Legal Interests
<i>Fortress Bermuda Holdings Limited</i>	<i>100% membership interest holder</i>

- (c) Provide legal names for all of applicant's Affiliates (including Affiliates of the applicant and the applicant's owners), if any.

Entity	Affiliates
<i>Fortress Bermuda Holdings Limited (Bermuda)</i>	<i>FB RR Investor LLC (Bermuda) Fortress Bermuda H Investor LLC (Bermuda)</i>

<i>Fortress Bermuda Infrastructure Partners Fund (A) LP (Bermuda)</i>	<i>N/A</i>
<i>Fortress Bermuda Infrastructure Partners GP Ltd (Bermuda)</i>	<i>N/A</i>
<i>Principal Holdings I LP (Delaware)</i>	<i>N/A</i>
<i>SoftBank Group Corp. (Japan)</i>	<i>N/A</i>

- (d) Describe the technical experience of the applicant and its owners in designing, building, and/or operating similar projects, particularly in comparable jurisdictions.

Owner	Relevant Experience
<i>FB Solar LLC</i>	<p><i>FB Solar LLC is a new limited liability company that has been established to buy the design and build of the Project. It will be contracting to operate the Project.</i></p> 
<i>Fortress Bermuda Holdings Limited</i>	<p><i>Fortress Bermuda Holdings Limited is licensed to carry on business in Bermuda to acquire, invest in, own, operate, manage and divest, interests in Bermuda-based infrastructure projects, including, but not limited to ports/docks, airport-related, industrial facilities, transportation, roads, bridges, toll ways, logistics, energy (including without limitation power generation, distribution and storage and all categories of renewable energy available now or in the future), communications, healthcare facilities, and other infrastructure assets.</i></p>

3 Project Description

The site is located on the Finger peninsula of St. David's Island at the LF Wade International Airport at 3 Cahow Way Street, St. George's, DD03, Bermuda. The land will be leased by SSB1L from the Government of Bermuda. A copy of the draft Agreement to Lease as well as the Lease are included under Appendix A to the Original BG Application.

3.1 Location of the proposed Site

Provide the address of the proposed Site. Attach maps and photos as necessary.

3.2 Generating Units

(a) Provide the information in the table below, for each proposed generating unit.

Unit Name	Technology	Fuel Source	Capacity (kW)	Est. Annual Gross Gen. (kWh)	Est. Annual Gen. Sold to Grid (kWh)	Est. Capacity Factor	Est. Economic Life
<i>Huawei Inverter</i>	<i>DC/AC Inverter</i>	<i>Sunlight</i>	<i>120x 50kW = 6,000 kW</i>	<i>104,083</i>	<i>104,083</i>	<i>22.2%</i>	<i>25 years</i>
<i>Total</i>	-	-	<i>Total = 6,000 kW</i>	<i>12,490,000</i>	<i>12,490,000</i>	-	-

(b) Describe the maintenance schedule for the units.

Unit Name	Maintenance Schedule
Huawei DC/AC Inverter	<i>The inverter units require very low level of maintenance. Their functionality is monitored remotely 24 hours a day, 7 days a week, via an on-line monitoring system. Any concerns with system performance of the inverters will be checked on-site by a technician on an as needed basis. Spare inventory of inverters will be kept on site to allow for same-day replacement in the case of a malfunctioning unit. If an inverter malfunctions, it represents only 1% of production reduction for the entire project.</i>

(c) Provide information on self- consumption of electricity provided by the generating units for this Project.

How much electricity generated by the Project does the applicant plan to consume at its own facilities (kWh)	<i>100 kWh per year</i>
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Describe the facilities that will consume the electricity	- <i>Inverters</i> - <i>SCADA monitoring system</i>
Describe the proposed facilities that will be used to connect the generating equipment to your facilities that will consume the electricity.	<i>The power for the inverters will be drawn from the LV connection while the power from the communication equipment will be drawn from a LV panelboard and run through a UPS</i>

3.3 Interconnection Facilities

Describe all interconnection facilities, such as power lines, substations, switchyards, and other transmission equipment, and right-of-way (if required). Attach technical plans or photos if necessary.

SSB1L will utilize an underground medium voltage feeder to collect power in 1MW blocks from loop fed MV transformers. The protection for this feeder will consist of a pad mount fusible disconnect. The underground feeder will leave the project site and travel east to existing [REDACTED] infrastructure of underground vaults and spare conduits leading back to the substation. The MV feeder will connect to a dedicated feeder and breaker back at [REDACTED] Civil Air Termination Substation.

See the preliminary drawing set attached as Appendix B to the Original BG Application for a detailed look at the layout of the solar facility and interconnection facility.

3.4 Fuel Characteristics

Describe the following fuel characteristics for the Project.

What type or types of fuel will be used	<i>Sunlight</i>
Company or companies that will supply the fuel (attach fuel supply agreement)	<i>N/A</i>
Origin of fuel	<i>Sunlight</i>
Description of facilities used to import and store (attach technical plans and/or photographs)	<i>N/A</i>
Attach scenarios with projections of the amount of each fuel that the Project will use	<i>Unlimited</i>

3.5 Permits

In accordance with Section 23(1)(a) of the EA, provide evidence that the applicant has obtained such permission as required under the Companies Act 1981, the Development and Planning Act 1974, the Building Act 1988, the Clean Air Act 1991,

and any other relevant legislation. Attach copies of such permissions.

All appropriate permits have been provided by Saturn Power Inc. and its affiliates to the Authority to date.

3.6 **Safety**

Describe the safety, emergency, and auxiliary systems that will ensure that the Project can be built and operated safely. Attach relevant technical plans and safety and emergency procedures.

Safe operations of the Project is of paramount importance to FB Solar LLC and the following features have been included in the design. See preliminary drawing package attached as Appendix B to the Original BG Application and detailed Project Health and Safety (H&S) Program attached as Appendix C to the Original BG Application.

In addition, consider that the project meets or exceeds local safety requirements through the inclusion of:

- i. The facility has been designed in compliance with local electrical safety codes.*
- ii. The final design drawings have been signed and sealed by Nigel Daley as the Registered Professional Engineer in Bermuda.*
- iii. A disconnect operated by Saturn will connect the 22kV feeder to the Project and can disconnect power flow from the facility to the 22kV feeder immediately when necessary.*
- iv. A breaker operated by [REDACTED] will connect the 22kV feeder to the [REDACTED] [REDACTED] which enables [REDACTED] to disconnect the Project from the grid when necessary.*
- v. A DC-disconnect is installed between the power generating solar modules and the inverters and can cut off the flow of power, when necessary.*
- vi. Performance and output data of the Project will be shared with [REDACTED] in real time providing them with the information required to ensure no negative impact on the local grid.*
- vii. Development of a Health and Safety Plan during construction and operation will ensure that anyone entering the Project site are properly trained on H&S procedures, are provided with appropriate Personal Protective Equipment, and understand hazards, risks and requirements.*

3.7 **Water supply routes and facilities**

Describe how the generating plant will obtain the water supply necessary for operations.

If this plan requires permits or approvals from an agency, provide documentation that these permits or approvals have been granted.

The Project does not require water for operation.

3.8 **Projected timeline and cost**

Submit:

- (a) a schedule detailing the expected Project timeline, including design and engineering milestones, construction milestones, and expected in-service date; and

The Project is built and the commercial operation date for the Project is expected to occur in November 2021. See also, Original BG Application for further details.

- (b) an estimate of the cost of developing the Site, installing the proposed facilities, and operating the facilities over the estimated economic lifetime of the Project.

See the Original BG Application for further details.

4 Business Plan and Audited Financial Statements

Section 23(1)(c) of the EA requires that the applicant has demonstrated the necessary financial capacity to build and maintain the Project.

Accordingly, attach a business plan and audited financial statements, as described below. You may submit these documents under confidential cover, pursuant to Sections 33 and 34 of the RAA.

4.1 Business Plan and financial information

The applicant must provide a business plan. The business plan must, at a minimum, describe:

- (a) The applicant's business goals, objectives, and mission;

Acquire 100% interest in the Project to provide reliable, lower cost, renewable power to [REDACTED] customers in Bermuda. See also, Original BG Application for further details.

- (b) The ownership structure of the applicant, and what experience the applicant and its owners have in developing and operating similar projects;

The applicant, FB Solar LLC, is a wholly owned subsidiary of Fortress Bermuda Holdings Limited (section 114B of the Companies Act 1981 licence holder), which has a number of limited partnership investors. The applicant is managed by affiliates of Fortress Investment Group, a \$50+ billion global asset manager that has invested more than \$20 billion over time in the infrastructure sector. See also, Original BG Application for further details.

- (c) How the applicant will provide the energy, capacity, and other services it is contracted to provide under the Power Purchase Agreement ("PPA") or shall provide under power purchase arrangements (if necessary);

The Project will provide power under the PPA through its photovoltaic solar arrays and associated equipment. See also, Original BG Application for further details.

- (d) The resources that the applicant will use to provide its contracted services; and

[REDACTED]

- [REDACTED]
- (e) The applicant's financial plan, including estimates for key financial indicators against which the applicant, its owners, and creditors will measure its financial performance.
- [REDACTED]

In addition, the applicant must provide information and explanation as to how it will finance the proposed activities that would occur under a license.

[REDACTED]

4.2 Audited Financial Statements

Submit audited financial statements for the applicant and for each of its owners for the last three fiscal years. Applicant must submit financial statements prepared in accordance with International Financial Reporting Standards, or other generally accepted accounting principles as applicant may select with the Authority's written approval.

FB Solar LLC is not yet the owner of the Project therefore such details are unavailable. See also, Original BG Application for further details.

5 Executed PPA

In accordance with Section 23(2) of the EA:

Attached under Appendix E to the Original BG Application, please find a copy of the executed PPA with [REDACTED]

- 5.1 Where the applicant is applying for a Bulk Generation Licence, it must submit copies of the PPA that it has negotiated and executed with the TD&R Licensee. If such applicant is also the TD&R Licensee, the applicant may submit details of its power purchase arrangements in lieu of an executed PPA. These agreements or arrangements may be submitted under confidential cover, pursuant to sections 33 and 34 of the RAA.

6 Evidence of Applicant's Probity

In accordance with Section 23(1)(d) of the EA, an applicant must submit evidence of its probity and suitability to be granted a licence. Applicant must submit attestations signed before a Commissioner for Oaths by himself or herself, in the case of an individual, or its directors, Controllers and Senior Executives, in the case of a company or partnership, of their probity, using the language provided in Appendix A.

Please see Attestations of Probity attached.


Appendix A: Attestation of Probity

Name of Person: *Demetrios Tserpelis*
Name of Applicant: *FB Solar LLC*
Name of Project: *6 MW AC Solar PV Facility at the land known as the "Finger" on St. David's Island*
Title: *Manager and Treasurer*

I certify that I am a fit and proper person to participate in electricity generation in Bermuda. I make this certification on behalf of FB Solar LLC as part of the change of control application for Saturn Solar Bermuda 1 Ltd.'s Bulk Generation Licence.³

Specifically, I have not been convicted of any criminal conduct (within the meaning of the Proceeds of Crime Act 1997) that suggests that my participation in electricity generation is not in the best interests of Bermuda.

Further, I do not have any interest or affiliation that would, or would likely, cause the applicant to be in conflict with the best interest of Bermuda or the electricity sector if Saturn Solar Bermuda 1 Ltd., as a subsidiary of FB Solar LLC, held the Licence.

Signed 
Dated November 10, 2021

³ **Note to RA:** We have modified the attestation to conform to the present application. Please confirm that these modifications are acceptable.

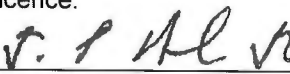
Appendix A: Attestation of Probity

Name of Person: *Joseph P. Adams, Jr.*
Name of Applicant: *FB Solar LLC*
Name of Project: *6 MW AC Solar PV Facility at the land known as the "Finger" on St. David's Island*
Title: *President*

I certify that I am a fit and proper person to participate in electricity generation in Bermuda. I make this certification on behalf of FB Solar LLC as part of the change of control application for Saturn Solar Bermuda 1 Ltd.'s Bulk Generation Licence.²

Specifically, I have not been convicted of any criminal conduct (within the meaning of the Proceeds of Crime Act 1997) that suggests that my participation in electricity generation is not in the best interests of Bermuda.

Further, I do not have any interest or affiliation that would, or would likely, cause the applicant to be in conflict with the best interest of Bermuda or the electricity sector if Saturn Solar Bermuda 1 Ltd., as a subsidiary of FB Solar LLC, held the Licence.

Signed 
Dated November 10, 2021

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