



AI-NATIVE OPERATING BACKBONE

Scope of work for the design, build, and transfer of TerraWatt’s agentic operating system: a single system of record and a governed fleet of AI agents spanning land acquisition through development, leasing, and finance.

DOCUMENT	Program Scope of Work: AI-Native Operating Backbone
VERSION	v2.2 · Issued July 20, 2026
ISSUED BY	TerraWatt LLC
PREPARED FOR	Prospective delivery partners, under NDA
RESPONSE FORMAT	Fixed-fee phased proposal per Section 08
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Bracketed items [A1] through [A10] are working assumptions pending internal confirmation, listed in Section 09. Vendors respond against them as stated and price the variance where indicated. This program is purchased as phase-gated statements of work, each with written acceptance criteria and a termination right at the gate. It is not an open-ended platform engagement.

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PURPOSE AND USE OF THIS DOCUMENT

TerraWatt LLC is procuring the design, build, and transfer of an AI-native operating backbone: one system of record and a fleet of governed AI agents covering the company's core workflows from land acquisition through development and leasing. This document is the program charter. It defines the operating principles the system must embody, the target architecture, module-level specifications with acceptance criteria, phasing, non-functional requirements, commercial terms, and the required structure of vendor responses. The module set defines the current program, not its ceiling: TerraWatt expects to add modules and re-sequence phases at the gates as higher-value uses emerge, through the mechanism in Section 07.

The selected vendor is building the company's operating system and transferring it wholly to TerraWatt: all code, prompts, schemas, and documentation are TerraWatt property from day one, and independence from the vendor is a stated design goal, not a concession. Proposals whose architecture depends on vendor-proprietary platforms will not be considered.

Document map: Section 01 company context; 02 operating principles; 03 target architecture; 04 module specifications M0, F0, and M1 through M17; 05 phasing; 06 non-functional requirements; 07 commercial terms; 08 vendor response requirements; 09 assumptions and open items; Appendix A systems inventory.

01

COMPANY CONTEXT

TerraWatt is a dirt-to-data hyperscale data center developer. The company originates sites, controls land, originates power, entitles, and develops preleased campuses for anchor tenants, delivering through external design-build partners while retaining development control. The active pipeline spans multiple states, including Texas, Louisiana, Utah, Missouri, Illinois, and Pennsylvania. The first anchor lease is executed and a gigawatt-scale development program is underway. The company is well capitalized and deliberately lean: a small principal team, outside counsel, and specialist consultants.

The strategic intent behind this procurement: TerraWatt is young enough to be built AI-native from the origin rather than retrofitted. Incumbent developers must bolt AI onto legacy organizations; TerraWatt intends to make agents the default doer and humans the approvers from the beginning, and to make that operating model part of company culture rather than an IT project. Headcount is added for judgment, relationships, and capital, not throughput. The backbone specified here is the mechanism that makes that possible.

Current tooling is minimal by design: Microsoft 365 (Outlook, Teams, SharePoint, OneDrive), Claude (Anthropic) as the incumbent AI platform with seats, API access, and MCP connectors, landID for parcel and land data, and spreadsheet-based trackers that this program replaces with a system the agents themselves build, operate, and keep current. Appendix A carries the working systems inventory. [A2]

02

OPERATING PRINCIPLES

These six principles are requirements. Every module in Section 04 must embody them, and acceptance testing will probe them directly.

- 1 AGENT-DEFAULT, HUMAN-APPROVE.** Agents execute the work. Humans hold four things without exception: judgment on deal terms, relationships, signatures, and the movement of money.
- 2 ONE DATA SPINE.** The system of record is authoritative. Email, chat, and spreadsheets are inputs, never the record. If it is not in the spine, it did not happen.
- 3 PLAYBOOKS AS CODE.** Company standards (contract positions, diligence checklists, report templates, style rules) are versioned documents that agents execute against. A ruling made once propagates everywhere.
- 4 GATED AUTONOMY.** Every external communication is draft-for-approval. [A3] Any capability that can send, pay, sign, or file sits behind a named human approver.
- 5 LEAST PRIVILEGE, FULL AUDIT.** Scoped credentials per agent, every action logged and attributable, and prompt-injection defenses on any agent that reads inbound email, documents, or web content.
- 6 SPEED TO PRODUCTION.** Working modules ship in 90-day cycles. No phase proceeds without acceptance of the prior. Unused tooling is killed, not maintained.

03

TARGET ARCHITECTURE

Six layers. Vendors respond with an architecture memo against this section (Section 08, item 1).

SYSTEM OF RECORD. A PostgreSQL-backed structured store modeling sites, parcels, deals, legal entities, counterparties, contacts, documents, obligations, critical dates, tasks, and financial items, with versioning and provenance on every field. Hosting default Microsoft Azure. [A9]

INGESTION. Pipelines from email, calendar, chat, and cloud storage (Outlook, Teams, SharePoint, OneDrive) through the Microsoft Graph API under scoped, admin-consented permissions, OCR for scanned instruments, classification and extraction with a source citation on every extracted field.

PLAYBOOK AND MEMORY. Versioned company standards agents execute against, plus durable institutional memory across sessions: people, deals, decisions, and precedents.

AGENT FLEET. The modules in Section 04, built on the Claude API and Claude Agent SDK with Model Context Protocol (MCP) integrations to internal and external systems.

GOVERNANCE. Single sign-on identity, role-based permissions, human approval gates on all send, pay, sign, and file actions, complete audit logging, and prompt-injection defenses.

INTERFACES. The M0 Command Intelligence chat as the front door, a web dashboard for deal state and alerts, mobile notifications, and scheduled digests.

Constraint: open, standard components only. Claude is the incumbent AI platform and the default; the architecture is model-agnostic, and vendors may propose complementary or alternative models with rationale, subject to identical governance. Core dependencies are otherwise limited to MCP, PostgreSQL, and standard open tooling. No vendor-proprietary platform may sit in the dependency chain, and all repositories are TerraWatt-controlled from day one.

04

MODULE SPECIFICATIONS

Each module states its objective, capabilities, human gates, and acceptance criteria. Acceptance criteria are contractual: they become the acceptance tests in each phase's statement of work. Thresholds in brackets are TerraWatt's working numbers; vendors may propose alternatives with rationale. Modules are presented in phase order; module identifiers are stable and are not renumbered.

PHASE 1 MODULES · DAYS 0-90

M0 COMMAND INTELLIGENCE (THE BRAIN) PHASE 1 ONWARD · SUPERVISORY LAYER

OBJECTIVE One conversational intelligence over every module: ask anything, about any deal, document, report, meeting, alert, model, or ledger, and get the current answer with citations.

CAPABILITIES

- Cross-module orchestration: routes any question to the right module and aggregates answers that span several, deal state, data rooms, reports in production, monitoring alerts, underwriting models, and the books.
- Whole-company awareness: knows where every process stands, not only deals: report drafts in QA, outstanding approvals, watcher health, close items, and open requests.
- A single approval inbox: every gated action from every module surfaces in one queue with full context, so nothing waits in a hidden corner.
- A morning brief and on-demand roll-ups across all modules, per principal.
- Institutional memory: people, decisions, precedents, and rulings, durable across sessions and available to every module.

SCOPE BY PHASE Launches in Phase 1 over F0, M1, M2, M3, and M17. Every later module must register with M0 at its phase gate as a condition of acceptance.

ACCEPTANCE Cross-module answers at or above 95% on weekly spot checks. 100% of gated actions surfaced in the approval inbox. Module registration verified at each phase gate.

FO FOUNDATION: DATA SPINE AND GOVERNANCE PHASE 1

OBJECTIVE Stand up the system of record, ingestion, governance, and interfaces that every other module depends on.

CAPABILITIES

- Deal, site, parcel, entity, counterparty, contact, document, obligation, and critical-date schema with provenance and versioning on every field.
- Ingestion of executed and draft documents from OneDrive, SharePoint, and email, including OCR of scanned instruments, with extraction of parties, dates, dollar figures, and defined terms, each field citing its source page.
- Identity with SSO and MFA, role-based permissions ([A4] seats), and audit logging of every agent and user action.
- Approval-gate framework: a named human approver per gated action class; nothing sends externally without one. [A3] Upon approval, the agent executes the send, post, or share itself through the connected channel: the human supplies the decision, not the labor.
- Alerting fabric: email and mobile, escalating cadence, acknowledged-or-escalate logic.

ACCEPTANCE Schema live and populated for all active deals. Extraction accuracy on critical dates and dollar figures at or above 98% against manual audit. Audit log demonstrably complete. SSO enforced for all users.

M1 DEAL STATE AGENT PHASE 1 · FLAGSHIP

OBJECTIVE One queryable intelligence that knows, at any moment, where every deal stands and exactly what stands between it and closing.

CAPABILITIES

- Lifecycle state model per deal: origination, LOI, PSA, diligence, entitlement, financing, closing, and pre-development, each with entry and exit conditions.
- Deal onboarding working session: on creation of a deal, the agent runs a structured session with the deal lead to capture full context: what the deal is, the strategy and why TerraWatt likes it, who owns it internally, and the complete external cast by workstream for horizontal and vertical development: gas transmission partners and contractors, equipment vendors, general and civil contractors, utilities, and counsel. The result is the deal's context brief in the spine, maintained as the deal evolves.
- The cast registry from onboarding powers M3 email routing and M0's answers to strategy, ownership, and who-is-involved questions.
- Critical-dates ledger: feasibility expirations, extension deadlines and fees, earnest money hardening, notice windows, and closing dates, with alerts at [30, 14, 7, and 2] days and escalation on non-acknowledgment.
- Conditions-to-closing checklist per deal, generated from the executed agreements plus playbook templates, tracked as satisfied, pending, or at risk, each item with an owner.
- Data room completeness: a required-document checklist by deal type and a live gap list of missing documents with responsible party, request status, and days remaining against the governing deadline.
- Completed-to-date log: every material action, decision, and document, timestamped and source-linked.
- Natural-language interrogation with citations: where any deal sits in diligence, what is missing before closing, how much time remains to obtain a missing document, what changed this week.

- Daily digest per principal and a weekly portfolio roll-up.

INPUTS The F0 spine, M2 meeting outcomes, M3 data room contents, escrow and title correspondence, and counsel correspondence as authorized.

HUMAN GATES Document-derived state changes post automatically with source citation. Manually asserted changes require principal confirmation.

ACCEPTANCE A [60]-day parallel run with zero missed critical dates. Deal-state answers verified at or above 95% accurate on weekly spot checks. Gap lists refresh within [4] hours of new documents entering the system.

M2 MEETING INTELLIGENCE PHASE 1

OBJECTIVE Every meeting captured, structured, and written into deal state behind a review gate.

CAPABILITIES

- Recording and transcription with Microsoft Teams as the primary platform, plus Zoom and dial-in calls, with speaker attribution.
- Consent management as a hard requirement: automated disclosure and consent capture compliant with all-party-consent jurisdictions in TerraWatt's footprint, including Illinois and Pennsylvania, with a no-consent fallback supporting typed notes instead of recording.
- Structured minutes: decisions, action items with owners and due dates, open questions, and commitments made and received.
- Extraction into M1 deal records with links to the transcript moment; human review and approval before minutes become record.
- A searchable archive across all meetings.

ACCEPTANCE Minutes within [30] minutes of meeting end. Action-item capture at or above 95% on spot checks. Consent workflow reviewed and passed by counsel.

M3 DATA ROOM OPERATIONS PHASE 1 CORE · PHASE 2 COUNTERPARTY-FACING

OBJECTIVE Diligence documents organized on OneDrive, indexed, scored for completeness, and restructured on demand into any counterparty's required architecture.

CAPABILITIES

- Internal deal rooms live on OneDrive within the Microsoft estate. M3 imposes the standardized TerraWatt taxonomy, indexing, and tracking on top of that storage rather than introducing a separate platform, including a per-deal Archive folder where superseded versions live.
- Migration of the existing rooms: the agent inventories current OneDrive holdings, classifies and reorganizes them into the standard taxonomy, deduplicates, and flags unreadable or misfiled items, producing a before-and-after index for approval. Migration is copy, verify, then archive: originals are preserved and nothing is deleted.
- Automatic classification, OCR, and indexing of all inbound documents, including scanned recorded instruments.
- Email-sourced capture: documents and correspondence arriving by email are filed to the correct deal room automatically. Routing runs in three tiers: first, automatic classification against the deal's known

counterparty registry and the document's own content, with confidence thresholds; second, a per-deal forwarding address anyone can send to when explicit routing is wanted; third, optional per-deal Outlook folders as a manual override. Low-confidence items queue for review in M0. Nothing is dropped, and nothing depends on a human remembering to file.

- Counterparty restructuring: capital partners and tenants each impose their own data room architectures. TerraWatt supplies the counterparty's index; the agent creates a client-specific room, maps and copies documents from the internal room into the client architecture, flags every item the client structure requires that TerraWatt does not yet hold, and keeps the client room synchronized as the internal room grows. No client room is shared externally without approval. [A3]
- Dual trackers: a completeness tracker for the internal room against the M1 checklist, and one per client room against that client's own index, each showing present, missing, responsible party, and days remaining, all queryable through M0.
- Drafted missing-document requests to counterparties, released only on approval. [A3]
- Phase 2: external serving of client rooms with granular permissions, watermarking, activity logging, and a Q&A agent restricted to approved content. The serving layer, OneDrive sharing or a purpose-built portal, is a vendor design proposal.

ACCEPTANCE Classification accuracy at or above 97%. Email-sourced documents auto-filed to the correct deal at or above [95]%, remainder queued for review, none lost. A client room restructured from a supplied index within [24] hours, with 100% of mappable documents placed and every unmapped requirement flagged. Completeness scores matching manual audit. A new internal room stood up within [24] hours of deal entry. Existing rooms migrated with a verified one-to-one inventory and zero lost documents.

M17 COMP INTELLIGENCE: POWERED LAND AND DATA CENTER COMPS PHASE 1 · FULLY

AUTONOMOUS

OBJECTIVE A continuously running, nationwide watcher that keeps the Master Comp Sheet current every business day with confirmed transaction facts, for powered land and operating data center assets, with no human input required.

CAPABILITIES

- Two comp classes on the Master Comp Sheet v7 schema, supplied at discovery: powered land transactions (site acres, purchase price, price per acre, secured or contracted MW, price per MW, power type) and operating data center asset transactions, which extend the same conventions with built-capacity metrics. The existing v7 comp set (approximately 1,160 entries) seeds the spine at migration; the watcher takes over from there.
- Nationwide source coverage: SEC filings and 8-Ks, press releases and trade press, county recorded instruments and transfer-tax records in disclosure states, utility and commission filings, interconnection queues, and bankruptcy and auction records.
- Facts only, blanks over guesses: a field populates only when the underlying fact is publicly confirmed. No estimates, no proxies, no inference. If price or MW is not firmly established, the column stays blank and the transaction still enters the sheet, because awareness of the trade matters even before its terms surface. Certainty standard: primary-source documents (recorded instruments, regulatory and SEC filings) qualify directly; press-reported figures require [two] independent sources or an on-record party statement.

- Classification per the v7 taxonomy on every entry: DC market tier (Tier 1, 2, 3, or non-tier), setting (Urban, Suburban, MON), nearest major MSA and distance, acreage and distance bands, and power type, applied by the sheet's existing conventions.
- Fully autonomous and add-only: the one module in this program that runs with no human gate. It can add comps, and it can complete a previously blank field when a confirmed fact later becomes public, with every completion logged; it can never modify or delete an existing entry. Corrections are human administrative actions under the archive-only lifecycle, and comps added manually by the team persist and are labeled by origin.
- Daily output: the Master Comp Sheet regenerated in the v7 format before [7:00 a.m. Arizona time] each business day, prior versions archived with supersession notes, with rolling national and per-tier averages computed so any site can be benchmarked against the national market, which is how powered land actually trades.
- Every populated field carries a source citation, and M0 answers comp questions with those citations.

HUMAN GATES None in operation, by explicit design ruling. The certainty standard and the add-only rule are the quality gates.

ACCEPTANCE Capture of publicly announced qualifying transactions at or above [90]% within [48] hours of public availability. 100% of populated fields source-cited and factually confirmed on audit, with zero estimated values. Zero modifications or deletions of existing entries. The daily sheet delivered on schedule with prior versions archived.

PHASE 2 MODULES · DAYS 60-180

M4 ACQUISITIONS AND CONTRACTS PHASE 2

OBJECTIVE First-draft speed and error-free consistency across LOIs, PSAs, amendments, and closing documents.

CAPABILITIES

- First drafts of LOIs and PSAs against TerraWatt playbook positions; amendment and extension letter generation.
- Redline comparison with deviation flagging against playbook standards.
- Entity-consistency verification across every document in a deal: names, formation states, and signature blocks.
- Exhibit and legal-description tracking; escrow and title checklist automation. Wire instructions are excluded from system scope by design (Section 06).

HUMAN GATES Counsel review before any external circulation. No figure enters an execution draft without a source document.

ACCEPTANCE Deviation detection at or above 95% on a seeded test set. Entity-mismatch detection at 100% on a seeded test set.

M5 PRELIMINARY ZONING VERIFICATION PHASE 2

OBJECTIVE A defensible zoning pre-screen on any candidate site within two business days.

CAPABILITIES

- Jurisdiction identification from parcel location: municipal, county, extraterritorial, and overlay districts.
- Controlling code retrieval and permitted-use determination for data center components: data halls, substations and switchyards, battery storage, on-site generation, fuel storage, and cooling infrastructure.
- Floodplain, wetland-indicator, and airport-surface screens from public layers.
- An entitlement-path summary with risk rating on the TerraWatt pre-screen template, every determination source-cited, with a human verification checklist.

ACCEPTANCE Agreement with analyst determinations at or above 90% on a [20]-site benchmark. 100% of determinations source-cited.

M6 PRELIMINARY UTILITY VERIFICATION PHASE 2

OBJECTIVE Water, sewer, power, and gas feasibility signals on any candidate site before dollars are committed.

CAPABILITIES

- Water and sewer: provider identification, including certificated service areas where applicable, service boundary confirmation, drafted capacity inquiries and will-serve requests released on approval, and response tracking.
- Power: nearest substations and transmission from public datasets, utility service territory, interconnection queue context, and applicable tariff identification.
- Gas: distribution and transmission proximity and local distribution company identification.
- Output: a utility pre-screen memo per site feeding M7 reports and the deal record.

ACCEPTANCE Provider identification at or above 95% on benchmark sites. Memo within [48] hours of site entry.

M7 SITE INTELLIGENCE PRODUCTION AGENT PHASE 2

OBJECTIVE The research and report production line: from site entry to a branded first-draft deliverable in 48 hours.

CAPABILITIES

- End-to-end drafting of site analyses, zoning analyses, and market reports to TerraWatt brand standards, including the standing requirement that every site analysis carry a fiber and connectivity assessment.
- Deep-research workflows with citation discipline: conflicts between sources flagged rather than silently reconciled, and no figure without a source.
- An analyst correction loop and a reusable content library.
- Living deliverables: when new documents enter the spine or the M10 mesh flags a material public change (a rezoning, a tariff revision, a utility filing, an incentive change), the affected site, zoning, and utility analyses refresh automatically. The prior version is archived immutably in an Archive folder inside that deal's own room, a supersession note records exactly what changed and why, and principals are alerted to material changes rather than discovering silent edits.
- Automated render-and-inspect QA before any deliverable is released internally.

ACCEPTANCE First draft within [48] hours of site entry. Brand QA pass. Measured reduction in analyst edit time against baseline. Affected analyses refreshed within [48] hours of a triggering document or flagged change, with 100% of prior versions archived and supersession-noted.

M8 CONTACT INTELLIGENCE PHASE 2 [A6]

OBJECTIVE The right owner, official, utility, and broker contact for any parcel or jurisdiction, on demand, compliantly.

CAPABILITIES

- Ownership and stakeholder identification through licensed, compliant data sources, with county assessor and recorder integration.
- Directories of county officials, utility personnel, and brokers by market, with provenance and a confidence rating on every record.
- Outreach lists prepared for human-initiated contact only, with documented TCPA and do-not-call constraints. No automated outbound contact of any kind.

ACCEPTANCE Contact accuracy at or above 90% on a verification sample. Zero automated outbound contact events.

M10 MONITORING MESH PHASE 2

OBJECTIVE Early warning on everything external that can kill or make a deal.

CAPABILITIES

- Standing watchers: state legislation and incentive programs in active states; public utility commission and utility dockets; county commission and planning agendas in active counties; interconnection queues; recorded instruments where county systems permit; and sector news.
- Materiality filtering tuned to the portfolio, alerts with citations, and a weekly intelligence brief.

ACCEPTANCE Detection of seeded test events at or above 90% within [48] hours. Monthly precision review with tuning.

M13 DEAL, LEASE, AND CAPITAL MODELS PHASE 2

OBJECTIVE Acquisition, lease, and capital models built, populated, and maintained on TerraWatt's predetermined formats, current with deal state at all times.

CAPABILITIES

- Model generation on the TerraWatt standard formats, supplied at discovery: one versioned acquisition model per deal, plus lease and capital models as terms arrive.
- Population from the F0 spine: purchase price, earnest money ladder, extension fees, deposit credits, and closing costs pulled from executed documents, every figure carrying a source citation.
- Playbook modeling rules enforced: every available extension option is treated as exercised, with its fee a committed payment on its deadline date, and no speculative cost line is entered without a sourced figure or an explicit instruction.
- Term-driven lease and capital models: when tenant or capital-partner terms enter the data room or the spine (term sheets, LOIs, leases, debt or equity documents), the corresponding model is generated or

updated automatically on the matching TerraWatt format, every figure source-cited.

- Automatic recomputation when deal terms change, with a change log; scenario toggles as defined by the standard formats.
- Outputs feed M0 queries and M12 reporting.

HUMAN GATES Changes to the standard format itself require principal approval. Models are decision support, never sign-off.

ACCEPTANCE Outputs match a hand-built control model to the dollar on [3] benchmark deals. Term changes reflected within [4] hours of the source document entering the system. Lease and capital models generated within [24] hours of qualifying terms entering the data room.

PHASE 3 MODULES · MONTHS 6-10

M9 PRE-DEVELOPMENT AND ENTITLEMENT PHASE 3

OBJECTIVE The path from site control to shovel-ready, tracked and drafted.

CAPABILITIES

- A permit and approval matrix per site: authority, requirement, dependency, timeline, and status.
- Consultant procurement packages (survey, environmental site assessment, geotechnical) with bid comparison.
- Incentive program applications and certification tracking, including entity-consistency checks across program documents.
- Plat, subdivision, and development agreement milestone tracking.
- Utility and agency application assembly preserving original agency formatting, unbranded.

ACCEPTANCE Matrix completeness confirmed by counsel review. Application drafts accepted with [2] or fewer revision cycles.

M11 ADMIN AND COMMUNICATIONS PHASE 3

OBJECTIVE The principal's day, triaged and drafted.

CAPABILITIES

- Inbox triage and prioritization tied to deal state, with drafted replies for approval on everything external. [A3]
- Calendar coordination and scheduling support.
- A branded document formatting pipeline for internal deliverables.
- Expense and invoice intake routed to M14 bookkeeping.

ACCEPTANCE Triage precision at or above an agreed baseline. Reply drafts judged send-ready without edit at or above [70]% after tuning.

M12 LEASING AND CAPITAL REPORTING PHASE 3

OBJECTIVE Tenant and investor obligations abstracted, tracked, and reported without added headcount.

CAPABILITIES

- Lease abstraction into obligation ledgers: delivery milestones, liquidated damages mechanics, ramp schedules, credit support, and notice requirements.
- Tenant RFP response assembly from the content library, with confidentiality rules enforced.
- Investor data rooms, portfolio dashboards, draw package assembly, and covenant and reporting calendars.

ACCEPTANCE Obligation ledgers verified complete against counsel abstraction on all executed leases. Reporting packages produced on calendar without misses.

M14 ACCOUNTING AND BOOKKEEPING PHASE 3

OBJECTIVE A deal-level and company-level bookkeeper that keeps the records current and hands a clean file to the human accountant.

CAPABILITIES

- Company books: transaction categorization from bank and card feeds, vendor bill intake from M11, and a monthly close checklist.
- Deal-level ledgers: earnest money, extension fees, diligence and consultant spend, and capitalized costs per site, reconciled to the spine.
- Reconciliation preparation, supporting schedules, and clean exports for the planned accountant hire and outside CPA.
- Assistive by design: expedites the accountant hire rather than replacing it, and prepares rather than files.

HUMAN GATES No payment execution, no filings, no wire activity, consistent with the Section 06 exclusions. Categorization rules are approved by the principal or the accountant.

ACCEPTANCE Categorization accuracy at or above [95]% after tuning. Deal ledgers tie to the spine with no unexplained variance. The monthly close package delivered on calendar.

PHASE 4 MODULES · MONTH 10+ · SEPARATE SOWS

M15 DEVELOPMENT OPERATING SYSTEM PHASE 4 · OUTLINE ONLY

OBJECTIVE Delivery-risk control once construction begins.

Scope at outline level, to be specified in detail at the Phase 4 gate: long-lead equipment procurement tracking with vendor lead-time intelligence; schedule risk simulation against contracted delivery dates; submittal and RFI triage; pay application review against the schedule of values; and commissioning documentation tracking. Vendors should indicate capability and reference experience and provide a rough-order estimate only (Section 08, item 9).

OBJECTIVE The industry's and TerraWatt's story told proactively, and negative coverage answered fast, factually, and under our own name.

- Narrative monitoring, extending M10: coverage of data centers generally and of TerraWatt's markets and projects specifically, across press, broadcast, social platforms, and the local channels where siting fights actually start, classified by theme (water, power prices, noise, jobs, taxes, land use), with alerts on emerging local opposition before it organizes.
- A positive content engine: fact-based, market-localized assets produced on brand: community benefit one-pagers, tax revenue and jobs data, water and power fact sheets per project, op-ed and letter drafts, social calendars, and hearing-ready materials, drawing on the M7 content library.
- Rapid response: when negative coverage or misinformation is flagged, drafted response options within hours: corrections, statements, op-eds, comment-ready fact sheets, and briefing documents for principals and local allies, every claim source-cited.
- Stakeholder support: local media, official, and community contact tracking through M8, hearing preparation packages, and per-project FAQ materials.
- Measurement: monthly sentiment, share-of-voice, and narrative-theme reporting per market, so the program is steered by data rather than anecdote.

EXCLUDED BY DESIGN No fake, anonymous, or unattributed accounts; no bot or automated posting activity; no undisclosed paid amplification; no engagement targeting private individuals. Platform manipulation policies, FTC disclosure rules, and the credibility TerraWatt spends at county hearings make inauthentic amplification a liability, not a tool. Persuasion is in scope; deception is not.

ACCEPTANCE Emerging narratives in active markets detected within [24] hours. Response drafts within [4] hours of a flagged item. 100% of published content approved and attributed. Monthly measurement reporting delivered on calendar.

PHASE	WINDOW	MODULES	GATE
Phase 1	Days 0–90 [A10]	M0, F0, M1, M2, M3 core, M17	Acceptance criteria met in a parallel run; kill-or-continue decision
Phase 2	Days 60–180	M4, M5, M6, M7, M8, M10, M13, M3 counterparty rooms	Module acceptance per Section 04

PHASE	WINDOW	MODULES	GATE
Phase 3	Months 6–10	M9, M11, M12, M14	Module acceptance per Section 04
Phase 4	Month 10+	M15 and M16 under separate SOWs	M15 specification issued at gate; M16 per Section 04
Continuous	All phases	Enablement and culture program: user training, playbook authoring support, documentation	Adoption metrics reviewed monthly

TerraWatt supplies a product owner with a standing weekly ruling session. The vendor supplies a named delivery lead. Phase 2 ordering may be re-sequenced at the Phase 1 gate without repricing individual modules. [A7]

06

NON-FUNCTIONAL REQUIREMENTS

SECURITY AND PRIVACY

Single sign-on with MFA; role-based access; encryption in transit and at rest; scoped, least-privilege credentials per agent; complete and immutable audit logging; a data processing agreement; a contractual bar on training vendor or third-party models on TerraWatt data; and confidential handling of counterparty and client information. Recording-consent compliance per M2. Prompt-injection defenses are required on every agent that reads inbound email, documents, or web content, and any capability that can send, pay, sign, or file sits behind a named human approver without exception.

EXCLUDED BY DESIGN

Agents never hold, transmit, or act on wire instructions, banking credentials, or payment authority. Wire verification remains a human process with verbal callback on known numbers. Signature authority is never delegated to the system.

ARCHIVE-ONLY LIFECYCLE

Agents cannot delete. No agent or model-facing component holds delete permissions on files, emails, records, or repositories anywhere in the system; the verbs available to agents stop at create, read, update, move, and archive. Superseded material is archived, never destroyed: prior versions of any deliverable are retained immutably, and archived versions of a deal’s documents and analyses live in an Archive folder inside that deal’s own room, browsable by a human without tooling. True deletion, for legal or privacy reasons, is a human administrative action requiring approval by a named administrator, executed outside agent tooling, and captured in the audit log. Exchange and SharePoint retention policies are configured as a platform-level backstop beneath this application-level rule.

ISOLATED IMMUTABLE BACKUP

The complete estate, the spine database, all documents and data rooms, repositories, configurations, playbooks, and audit logs, is backed up on a schedule to an isolated, immutable store in a separate security boundary (a separate subscription or tenant) to which no agent, model-facing component, or runtime credential has any access. Backups are retention-locked so they cannot be altered or deleted even by a

compromised privileged account during the retention window; restore is a named-human administrative action. Working targets: recovery point of [24] hours or better, retention of [90] days minimum, and quarterly restore tests with results reported. The design intent is plain: if the entire live system misbehaves or is compromised, the backup is beyond its reach.

HOSTING AND COMPLIANCE

Hosting defaults to Microsoft Azure given the Microsoft 365 estate; vendors may propose alternatives with rationale. [A9] The architecture must not preclude a SOC 2 Type II audit; a readiness program is targeted for year two. [A9]

RELIABILITY

Monitored scheduled jobs, alert delivery service levels, graceful degradation to human fallback, and no silent failures: a watcher that stops watching must itself raise an alert. Storage and the spine are versioned with full audit history, so any agent action can be traced and rolled back.

UPGRADEABILITY

The system must harvest model progress on a schedule, not by accident. All model calls sit behind a single abstraction with per-task routing, so a model swap is a configuration change plus a regression run. The acceptance test suite is itself a deliverable: a permanent, re-runnable evaluation harness TerraWatt uses after handoff to qualify new models and components before promotion. Vendors should design scaffolding to be deleted: as models absorb multi-step logic, pipelines are simplified rather than preserved, and simplification is treated as an upgrade. Two further properties keep future substitution cheap: every module is individually replaceable, including by a third-party product that passes the evaluation harness, without disturbing the spine; and TerraWatt can export the complete spine, documents, and history in open formats at any time, so leaving any component, or the vendor, is always an available decision.

LEARNING LOOPS

The system must improve with use by design, not by accident. Every human edit, correction, rejection, and approval, in every module, is captured as structured feedback. The vendor converts that feedback into updated playbooks, prompts, and worked examples, and demonstrates the improvement on the evaluation harness at each quarterly uplift review, with edit rates and send-ready percentages tracked as the improvement metrics. Learning lives in assets TerraWatt owns, the playbooks, the memory layer, and the harness, not in model weights: no model is trained or fine-tuned on TerraWatt data without explicit written authorization, so everything the system has learned survives any model swap.

OWNERSHIP AND TRANSFER

All code, prompts, schemas, configurations, and documentation are TerraWatt property, produced as work made for hire with full assignment of intellectual property. Repositories are TerraWatt-controlled from day one. Runbooks, administrator documentation, and a two-week structured handoff are paid milestones in every phase. Core dependencies are limited to the incumbent AI platform (Claude API and Agent SDK, or approved alternatives), MCP, PostgreSQL, and standard open tooling.

ENABLEMENT

User training in every phase, playbook authoring support, and adoption reporting. The intent is cultural: the team operates the system as the default way work is done, and the vendor's enablement plan is evaluated accordingly.

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COMMERCIAL TERMS

1. Fixed-fee, milestone-based statements of work per phase with written acceptance tests. No open-ended time-and-materials.
2. Phase gates with a termination-for-convenience right at each gate. Work product through the gate transfers to TerraWatt regardless of continuation.
3. Full intellectual-property assignment and work-for-hire on everything produced, with TerraWatt-controlled repositories from day one.
4. Documentation and structured handoff as paid milestones in every phase.
5. A post-Phase 1 maintenance retainer with defined response-time service levels, priced in the proposal, including quarterly model and capability uplift reviews: the newest models swap-tested against the evaluation harness, unnecessary scaffolding removed, and new native capabilities adopted.
6. A named delivery team with a key-person provision. Substitutions require TerraWatt approval.
7. A data processing agreement, confidentiality obligations covering counterparty and client information, and a contractual bar on training models with TerraWatt data.
8. Extensibility: TerraWatt may add modules or substitute phase content at any gate by mutually agreed statement of work under these same terms: fixed fee, written acceptance tests, and full transfer. The roadmap flexes at the gates; signed statements of work and their acceptance criteria do not.
9. Disqualifying structures: vendor-proprietary platform dependencies, unnamed delivery staff, and open-ended pricing.

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VENDOR RESPONSE REQUIREMENTS

Respond within [10] business days of receipt with the following. Incomplete responses are set aside without review.

1. An architecture memo against Section 03, including the model usage plan and projected run costs.
2. A fixed fee per phase with a milestone schedule and payment terms.
3. An acceptance test plan responding to every criterion in Section 04.
4. The named team: bios, allocation percentages, and locations.
5. Two client references from organizations under 100 employees with agentic systems in production.
6. A live demonstration of one shipped agentic system. Slides do not satisfy this item.
7. Assumptions, exclusions, and dependencies.

- 8. Maintenance retainer pricing and service-level terms.
- 9. A non-binding rough-order estimate for Phase 4 (M15 and M16).

Selected finalists proceed to a paid discovery sprint producing a binding fixed-fee statement of work for Phase 1. Budget is not disclosed in this document; pricing competes on the fixed-fee response. [A10]

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ASSUMPTIONS AND OPEN ITEMS

Working assumptions pending internal confirmation. Vendors respond against them as stated.

- [A1] Scope boundary: the program covers acquisition through development, leasing, and finance operations, including deal, lease, and capital models (M13) and deal- and company-level bookkeeping (M14) that support a planned accountant hire, plus public affairs and narrative (M16). HR operations remain excluded.
- [A2] The systems inventory in Appendix A is working; the final inventory is confirmed at discovery.
- [A3] Autonomy line: every external communication is draft-for-approval. No autonomous external sends in any phase.
- [A4] Users: [six] internal seats at launch, outside counsel with read access to designated deal records, and investor reporting views in Phase 3.
- [A5] Confirmed: counterparty-facing virtual data rooms are in scope, delivered in Phase 2 under M3, with internal completeness tracking live in Phase 1.
- [A6] Contact data: TerraWatt will license compliant contact and ownership data sources on vendor recommendation. Outreach is human-initiated only.
- [A7] Phase 1 priority is the deal-state core as specified (M0, F0, M1, M2, M3) plus the autonomous M17 comp watcher. Phase 2 ordering may be adjusted at the Phase 1 gate.
- [A8] Primary success metrics: zero missed critical dates and verified deal-state answer accuracy. Secondary: 48-hour site reports and 24-hour data room stand-up.
- [A9] Hosting defaults to Microsoft Azure. SOC 2 Type II readiness is targeted for year two.
- [A10] Phase 1 target: live within 90 days of SOW execution.

A

APPENDIX A: SYSTEMS INVENTORY (WORKING)

SYSTEM	PLATFORM	STATUS
Productivity, email, storage	Microsoft 365: Outlook, Teams, SharePoint, OneDrive	In production

SYSTEM	PLATFORM	STATUS
AI platform	Claude (Anthropic): seats, API, MCP; open to complementary models	In production
Parcel and land data	landID: nationwide parcel mapping only	In production
Deal tracking	Spreadsheet trackers: pipeline, earnest money, data room	Replaced by F0 / M1, built and operated by the system
E-signature	[To be confirmed at discovery]	TBD
Accounting	None today; M14 provides bookkeeping; accountant hire planned	Planned
Virtual data room	OneDrive internal rooms today; M3 adds taxonomy, trackers, counterparty restructuring, external serving	In production, extended by M3
Conferencing and phone	Microsoft Teams; M2 note-taker integrates	In production

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