

**Rhode Island Economic Development Corporation
Renewable Energy Fund**

REQUEST FOR PROPOSALS

**Rhode Island Distributed Generation Contracts and Renewable Energy Fund
– Economic, Jobs and Environmental Impact Study**

Program Opportunity # RFP- REF/OER- 004

The Rhode Island Economic Development Corporation (“EDC”), administrator of the state’s Renewable Energy Fund (“REF”) is requesting consulting services through the following Request for Proposals (“RFP”).

This RFP will be offered from October 24, 2013 – November 8, 2013. Final Proposals must be submitted no later than 3:00pm on Friday November 8, 2013

Respondents must submit the following:

- A sealed package that includes two (2) hard copy original Proposals clearly marked as “ORIGINAL”; and
- An electronic version of the Proposal on a “thumb” drive or similar device.

Proposals should be mailed or hand delivered to:

Hannah Morini
Program Manager, Renewable Energy Fund
Rhode Island Economic Development Corporation
315 Iron Horse Way, Suite 101
Providence, RI 02908

Questions or clarifications regarding this solicitation must be submitted in writing and directed to REF@riedc.com and christopher.kearns@energy.ri.gov Questions must be received by October 30, 2013. Any oral communication concerning this solicitation is not binding and shall in no way alter a specification, term or condition of this program or indicate any selection preference other than that identified herein. A Notification of Intention to Bid on this RFP is preferred but not required. Notifications of Intention to Bid should be sent by October 30, 2013 to REF@riedc.com and christopher.kearns@energy.ri.gov.

Responses to all questions received by EDC will be posted on EDC’s website (see below) by November 4, 2013. The identities of those who submit questions will not be revealed.

Information regarding this RFP is available at the following website:

<http://www.riedc.com/government/rfp-rfq-rfi.php>

TABLE OF CONTENTS

SECTION I – INSTRUCTIONS & NOTIFICATIONS TO OFFERORS	4
SECTION II – CONTRACT FORM, TERM, & CONDITIONS	5
SECTION III – PROJECT BACKGROUND.....	6
SECTION IV – SCOPE OF WORK.....	7
SECTION V - PROPOSAL SUBMISSION & REQUIREMENTS	11
1. TITLE PAGE	11
2. LETTER OF TRANSMITTAL	11
3. OVERVIEW.....	11
4. PROPOSAL	12
5. QUALIFICATIONS & EXPERIENCE.....	12
6. PROJECT MANAGEMENT & ORGANIZATION.....	12
7. COST PROPOSAL	13
8. ATTACHMENTS	13
SECTION VI – EVALUATION & SELECTION PROCESS.....	13
SECTION VII – TIMELINE.....	14
ATTACHMENT I – QUESTIONNAIRE.....	14

SECTION I – INSTRUCTIONS & NOTIFICATIONS TO OFFERORS

- Potential offerors are advised to review all sections of this Request carefully and to follow instructions completely, as failure to make a complete submission as described elsewhere herein may result in rejection of the proposal.
- Alternative approaches and/or methodologies to accomplish the desired or intended results of this procurement are solicited. However, proposals which depart from or materially alter the terms, requirements, or scope of work defined by this Request may be rejected as being non-responsive.
- All costs associated with developing or submitting a proposal in response to this Request, or to provide oral or written clarification of its content, shall be borne by the offeror. EDC assumes no responsibility for these costs.
- Proposals are considered to be irrevocable for a period of not less than sixty (60) days following the date of the opening of sealed proposals, and may not be withdrawn, except with the express written permission of EDC.
- All pricing submitted will be considered to be firm and fixed unless otherwise indicated herein.
- Proposals misdirected to other locations or which are otherwise not present at EDC at the submission deadline for any cause will be determined to be late and may not be considered. The “official” time clock is in the reception area of EDC.
- It is intended that an award pursuant to this Request will be made to a vendor, which will assume responsibility for all aspects of the work. Joint venture and cooperative proposals will not be considered but subcontracts are permitted, provided that their use is clearly indicated in the Proposal, and the subcontractors proposed to be used are identified in the Proposal.

- In accordance with Title 7, Chapter 1.1 of the General Laws of Rhode Island, no foreign corporation shall have the right to transact business in Rhode Island until it shall have procured a Certificate of Authority to do so from the Rhode Island Secretary of State (401-222-3040). This will be a requirement only of the successful offeror(s).
- Offerors are advised that all materials submitted to EDC for consideration in response to this Request will be considered to be public records, as defined in Title 38 Chapter 2 of the Rhode Island General Laws.
- Offerors should be aware that EDC encourages offerors to meet the 10% participation goal of the State's Minority Business Enterprise program in its procurements.
- Interested parties are instructed to peruse the EDC on a regular basis, as additional information relating to this Request may be released, from time to time, in the form of an addendum to this Request. The EDC website is <http://www.riedc.com/government/rfp-rfq-rfi.php>
- Equal opportunity and affirmative action toward its achievement is the policy of all units of Rhode Island state government, including all public and quasi-public agencies, commissions, boards and authorities, and in the classified, unclassified, and non-classified services of state employment. This policy applies in all areas where State dollars are spent, in employment, public service, grants and financial assistance, and in state licensing and regulation. For further information, contact the Rhode Island Equal Employment Opportunity Office, at (401) 222-3090 or visit the website at www.diversity.ri.gov/eo.

SECTION II – CONTRACT FORM, TERM, & CONDITIONS

The term of the contract to be awarded as a result of this Request is to be a 6 month term (although it is anticipated that the tasks described herein will be completed in approximately 3 months). The contract term will begin on a date to be specified in the contract. Any vendor awarded a contract pursuant to this Request agrees that its Proposal is a firm agreement to provide services at a stipulated rate to EDC. Those rates will be reflected in the response. The contract will be executed in the form of an engagement letter developed by EDC and a fully executed contract and will include standard provisions applicable to contracts entered into by EDC.

SECTION III – PROJECT BACKGROUND

The Rhode Island Office of Energy Resources (OER) and the EDC are pursuing a comprehensive study to evaluate the economic, job, and environmental impacts of the Distributed Generation Contracts (DGC) and Renewable Energy Fund (REF) programs.

In July 2013, the DGC law was amended by the General Assembly and Governor Chafee. The law requires the OER to submit to the Governor and the General Assembly an economic, jobs, and environmental impact study on the DGC program. R.I.G.L. 39-26.2-12 (b) including:

“The office of energy resources shall submit to the governor, the president of the senate, and the speaker of the house of representatives, an annual jobs, economic impact and environmental impact study on the distributed generation standard contracts program. The study shall include, but not be limited to, environmental benefits, including carbon emission reductions from the installations; economic impacts including, but not limited to, direct and indirect jobs created; system reliability improvements; property and income tax benefits; and ratepayer impacts including, but not limited to, hedges against general inflation and fuel price volatility, short term price impacts, and wholesale price suppression.”

In addition to the study evaluating the impacts of the DGC program, the EDC and OER also seek to evaluate the impacts of the REF program. The REF law was amended in June 2012 and the amendments were reflected in the new REF Rules and Regulations issued by the EDC Board in December 2012. The new REF rules and regulations were, in part, designed to ensure that the REF program complemented rather than duplicated the DGC program.

One of the primary policy objectives of the OER and EDC is to develop the DGC and REF programs in coordination with one another in order to maximize the deployment of both small and large-scale renewable energy installations for all sectors (residential, small businesses, commercial and industrial users and municipalities). The OER and EDC also have been working to integrate the state’s energy efficiency opportunities, when making renewable energy investments. For example, the REF program for small-scale solar homeowners and small businesses must have energy efficiency audits scheduled or performed before receiving a grant or loan from the REF.

The DCG program was launched in December 2011 and as of October 2013 has completed 6 enrollments. The DGC program has received over 90 applications since its inception with a request for 80 megawatts of projects. As of October 2013, approximately 30 megawatts of the 40 megawatt DGC program have been awarded to solar, wind and anaerobic digestion projects. Municipal and private DGC project proposals have been proposed in 29 of the 39 cities and towns. Overall, the DGC program has seen a gradual decline in the ceiling prices from year to year. The decline in the DGC program cost has been further enhanced by amendments to the DGC law in 2013. Competitive bidding is now required for all eligible system sizes.

The REF is dedicated to increasing the role of renewable energy to business development and to promote a clean energy supply for Rhode Island. The REF provides grants, loans and other financing options to renewable energy projects with the potential to make electricity in a cleaner, more sustainable manner, while stimulating job growth in the green technology and energy sectors of Rhode Island's economy. Using funds from the 'system benefit charge' on electric bills and from Alternative Compliance Payments, RIEDC funds renewable energy projects in small-scale solar as well as feasibility studies and commercial development. Commercial development consists of direct project installations and early-stage commercialization of new technologies and business models.

The work proposed for this project, in addition to the studies conducted as part of Rhode Island's successful energy efficiency programs, will allow the OER to make informed policy and programmatic decisions to develop a clean and reliable energy system.

SECTION IV – SCOPE OF WORK

The OER and EDC seek to secure the services of an expert third party consultant team to conduct a study that evaluates the economic, job and environmental impacts of the DGC and REF programs. The scope of the study will include: Task 1) estimating the impacts of the two program's activities to date and, Task 2) scenario based projections of future economic and environmental impacts through 2035.

DGC and REF scenarios to be modeled under Task 2 are:

1. 4 Year REF Program Extension
5 and 10 Year DGC Program Extension – 40 megawatts per year with 15 and 20 year contract options

2. 4 Year REF Program Extension
5 and 10 Year DGC Program Extension – 70 megawatts per year with 15 and 20 year contract options

3. 4 Year REF Program Extension
5 and 10 Year DGC Program Extension – 100 megawatts per year with 15 and 20 year contract options

The benefits and costs to be explicitly addressed in the study, and wherever possible quantitatively estimated, include:

<u>Benefit Category</u>	<u>Description</u>	<u>Potential Reference/Sources & Notes</u>
Energy	Annual generation, including line losses distinguished by seasonal on and off peak periods.	Synapse Energy Economics, 2011, Avoided Energy Supply Costs in New England. PVWatts and other output models.
Generation Capacity	Peak coincident, and average annual generation capacity, including line losses – differentiated by season	
Transmission and Distribution	Deferring of upgrades or new transmission capacity. Peak coincident and average annual capacity including line losses differentiated by season	National Grid, System Reliability Procurement Pilot. PVWatts and other output models. Note, may also result in costs for upgrades to support additional PV capacity
Grid Support	Ability of distributed PV to provide grid support services – voltage and frequency regulation, reserve requirements, and balancing	Note – may result in additional costs or require advanced inverters and/or storage to provide service.
Market Price Impacts	Wholesale price suppression for energy and capacity due to lower total demand.	DRIPE estimates from Synapse Energy Economics, 2011,

	Hedge value for more diversified supply portfolio	Avoided Energy Supply Costs in New England.
Reliability / Resilience	Ability to reduce loss of service, provide back-up generation, and reduce time to service restoration.	Likely to require further primary research – possibly beyond scope of this study. May also require ability to island and have storage for back-up services.
Environment	Avoided CO2 and other emissions based on amount and type of avoided generation. Can include impacts that are internalized by market via RPS compliance or RGGI mechanisms, or additional estimate of environmental benefit (currently not internalized).	Avoided externality cost estimates from Synapse Energy Economics, 2011, Avoided Energy Supply Costs in New England.
Job and Revenues	Gross or net job impacts (direct and/or indirect) during construction, operation phases, and property tax revenues	NREL JEDI model and data, State Level Economic Impact Modeling, Rhode Island Office of Energy Resources – estimate of job impacts from DGC program. Other examples of job and revenue impact studies, include the 2012 Rhode Island Energy Efficiency Resource Management Council Annual Report and the Massachusetts 2012 Clean Energy Report.
<u>Cost Category</u>	<u>Description</u>	<u>Potential Reference/Sources & Notes</u>
Participant investments	Participant costs – net of federal tax incentives	Program data
Program costs	Program and state incentives, program administrative costs	Program data
Other	Other costs related to expanded PV capacity not internalized by participant or program costs.	Could include required distribution upgrades not borne by participants, or increased cost for forecasting.

The references and resources listed in the table above are provided to help inform the study, but are not a limit on the resources and references to be used for this study.

The consultant shall provide a report that addresses each of the categories of costs and benefits listed above. For those impacts where a quantitative estimate can be made, the consultant shall identify the method and references used for the estimate, provide an indication of the possible

range of values for the estimate, and provide a comparison to other studies that have estimated a value.

Where a quantitative estimate is not possible, the consultant will identify the barriers to making such an estimate, and identify the type of data and recommended methods/sources for acquiring such data in the future. Where possible, the consultant will also provide a qualitative estimate of the level of the value in comparison with the other values estimated in the study or explain why such an estimate is not possible, and means to address this issue in the future.

In Task 2 the consultant will use the values estimated in Task 1, to estimate a range of impacts for one or more future development scenarios. OER and EDC will provide the selected contractor with a baseline forecast of development to use in the scenario analysis. The estimate of future benefits and costs will be informed by the research conducted in Task 1, and by secondary research on drivers that will impact future benefit and costs for distributed renewable generation. The consultant will indicate where secondary research data on future trends are not available and when possible will identify priority data needs and methods to inform future planning and analysis. It is recognized that there will be a greater degree of uncertainty around the valuation of estimated benefits and costs through 2020 in Task 2 than for the values estimated under Task 1.

Deliverables:

The selected contractor shall provide:

1. A detailed methodology and work plan (including proposed outline for final report) for the study for review and approval by the OER and EDC.) The methodology and work plan must include a transparent model (Excel or otherwise) that can be shared publicly and audited by anyone reading the study (though presumably locked to prevent changes)
2. A public presentation on the methodology and work plan
3. Draft section report for Task 1, for review and comment by OER and EDC,
4. Draft section report for Task 2, for review and comment by OER and EDC,
5. A draft final report incorporating comments from deliverables 3 and 4, and
6. A final report – with an accompanying power point presentation. The final report will include technical appendix and bibliography with complete references.
7. A public presentation on the final report

SECTION V - PROPOSAL SUBMISSION & REQUIREMENTS

The Proposal must be submitted in the format described below, clearly labeling the sections as described. Please keep fonts to 11 point at a minimum and length of proposals to 20 pages at a maximum (1.5 line spacing) including all sections listed below:

- ❖ TITLE PAGE (1 page)
- ❖ LETTER OF TRANSMITTAL (1 page)
- ❖ OVERVIEW (1-2 pages)
- ❖ TECHNICAL PROPOSAL (4 pages minimum; 10 pages maximum including figures)
- ❖ QUALIFICATIONS & EXPERIENCE (about 3 pages)
- ❖ PROJECT MANAGEMENT & ORGANIZATION (about 2 pages)
- ❖ COST PROPOSAL (1 page)
- ❖ ATTACHMENTS (not counted toward page limit)

1. TITLE PAGE

Economic Development Corporation, “Renewable Energy Economic, Jobs and Environmental Impact Study” Proposal, your company name, address, web site address, telephone number, fax number, e-mail address and primary contact person.

2. LETTER OF TRANSMITTAL

The Letter of Transmittal will be signed by an owner, officer, or authorized agent of the firm or organization, acknowledging and accepting the terms and conditions of this Request, and tendering an offer to the EDC. The signature of the official with authority to sign a contractual agreement should be included.

3. OVERVIEW

The Overview will concisely lay out the offeror’s understanding of the problem, describe their proposed approach to the work and explain how they are well suited to perform the tasks.

4. TECHNICAL PROPOSAL

Discuss your solution to the proposed scope of work. Provide a description of your approach to each task and deliverable. Provide information on how you intend to identify and define suitable data and methods for quantifying or otherwise addressing each of the benefits and costs listed in the table in Section 4. Present and clearly explain any proposed primary research and data collection and provide examples of the secondary data and research to be referenced. Describe how the proposed methods will accommodate comparison to data from other studies. Indicate your ability to complete the scope of work within the established timeframe and proposed schedule of deliverables/project milestones (see Section VII below).

5. QUALIFICATIONS & EXPERIENCE

Please provide the following:

- ❖ **Company Profile:** Provide an overview of history, length of time in business, organizational and staff capacity, core competencies, and any other resources uniquely suited to recommending and implementing solutions to the scope of work outlined in this solicitation.
- ❖ **Relevant Experience:** Describe your experience with similar projects. Respondents familiar with the New England region are desirable.
- ❖ **Examples of Prior Work:** If possible, reference two or three examples of previous projects that best display your ability and experience with work of a similar nature and specify the role your firm played in each project.
- ❖ **Reference Information:** Provide names, addresses, telephone numbers and permission to contact two former or current clients for which your organization has performed work in the last three years.

6. PROJECT MANAGEMENT & ORGANIZATION

List all staff and/or subcontractors proposed as members of the project team and the tasks they will perform on the account. Describe their duties, responsibilities, and concentration of effort applying to each. Please include resumes, curricula vitae or statements of prior experience and qualification (these may be provided as attachments not counting towards overall page limit). An organizational chart showing roles and responsibilities on the project is desirable. The consultant team may include subcontractors; however, the prime respondent will be solely responsible for the management and work-products of the consultant team.

7. COST PROPOSAL

Please provide a signed Cost Proposal reflecting one, all-inclusive price for the scope of service. The anticipated budget range for this solicitation is approximately \$75,000 to \$100,000. Cost proposals must provide a budget broken down by task as described in the scope of work included in this solicitation. Estimated travel costs and expenses should be indicated as a separate line item. Please also include the following, by task and for each staff and/or subcontractor proposed as members of the project team: estimated personnel hours, level of effort, hourly billing rates, other direct costs, and any other relevant information.

8. ATTACHMENTS

Please append the following supporting materials to the Proposal (these items do not count toward the overall page limit): 1) A completed and signed W-9 Taxpayer Identification Number and Certification Form, which is downloadable from the web site www.purchasing.ri.gov; and 2) A completed questionnaire signed by an owner, officer, or authorized agent of the firm containing answers to the questions in Attachment II of this solicitation.

SECTION VI – EVALUATION & SELECTION PROCESS
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EDC and OER staff will form a Review Committee, which will evaluate and score all proposals. Responses from qualified candidates will be reviewed and evaluated according to the criteria outlined below. The scoring criteria correspond to the different sections of the Proposal outlined in Section V.

Scoring Criteria	Description	Possible Points
Technical Proposal	- The proposed approach and framework meets the needs and criteria set forth in the RFP	8
Qualifications & Experience	- The candidate has completed similar projects and is qualified to undertake the scope of work outlined in the RFP. - References and prior work demonstrate the candidate's ability to provide superior modeling analyses and technical support	4
Project	- Proposal shows clarity of team management structure, the	4

Management & Organization	availability of senior staff to supervise and contribute to the work, and ability to complete deliverables in a timely fashion	
Cost Proposal	- The candidate submits a reasonable and competitive pricing structure commensurate with the value offered	4
<i>Total</i>		<i>20</i>

Only candidates submitting a Proposal in accordance with the criteria set forth above will be eligible for evaluation. Each submitted Proposal meeting the administrative requirements will be evaluated by the Review Committee and ranked from highest to lowest. Upon completion of the initial evaluation, candidates may be invited to participate in an interview phase of the selection process. However, EDC reserves the right to make a selection and award the contract based on evaluation of the proposals without conducting formal interviews.

EDC reserves the right not to award this contract or to award on the basis of cost alone, to accept or reject any or all proposals, and to make one or more awards as a result of this Request to one or more vendors. Proposals found to be technically or substantially non-responsive at any point in the evaluation process may be rejected and not considered further. EDC reserves the right to reject any or all proposals submitted and/or to waive any non-conformity in any offeror's Proposal.

SECTION VII – TIMELINE

The study shall need to be completed by March 29, 2014.

ATTACHMENT I – QUESTIONNAIRE

1. Please certify that the firm is in compliance with Title 17, Chapter 27 of Rhode Island General Laws with respect to reporting of any contribution made to a candidate for public office in Rhode Island and Title 139 of Chapter 41, with respect to executive branch and public corporation lobbying.
2. Include a letter from your firm's managing partner or chief executive officer certifying that (i) no member of your firm made inquiries to the EDC with respect to this Request for Proposals other than in a written communication or email to the contact listed in the Request for Proposals from the date of the Request for Proposals through the date of your statement and (ii) that all

information in your proposal (including the fee structure) is true and correct to the best of his/her knowledge.

3. Has your firm (or any principal) been subject to suspension, debarment, indictment or criminal conviction by the federal government, the State of Rhode Island or any other jurisdiction? If yes, please explain.
4. Please confirm that the firm will immediately disclose, in writing, to the EDC any potential conflict of interest or potential conflict of interest, which may occur during the course of the engagement authorized pursuant to any contract awarded under this Request. If, as of the date of submission, the firm is aware of any conflict of interest or potential conflict of interest, please explain.
5. Please certify that the firm understands that falsification of any information herein or failure to notify the EDC may be grounds for suspension, debarment and/or prosecution for fraud.
6. Please certify that the firm acknowledges that the answers and certifications set forth in this questionnaire apply to any contract arising from this Request.
7. Has the firm ever filed for bankruptcy protection or been in receivership? If so, please explain.
8. Is the firm delinquent on the payment of any taxes, whether they be state, local, or federal?
9. Has the firm within the past five years hereof been debarred from or otherwise restricted in submitting proposals to any governmental or quasi-governmental entity? If so, please provide particulars.