

State of Rhode Island Department of Administration / Division of Purchases One Capitol Hill, Providence, Rhode Island 02908-5855 Tel: (401) 574-8100 Fax: (401) 574-8387

ADDENDUM # 1

RFP#7611868

TITLE: Renewable Energy Procurement of Virtual Net Metering Credits

Submission Deadline (Time Change): Monday April 19, 2021 at 11:00 AM ET Attached Includes:

- Questions received with responses

Thomas Bovis Interdepartmental Project Manager

Interested parties should monitor this website, on a regular basis, for any additional information.

COVID-19 EMERGENCY PROTOCOL FOR BID OPENINGS

Vendors and the public are advised that due to Covid-19 emergency social distancing requirements bid openings at the Division of Purchases shall be conducted via live streaming on the ZOOM website/application. Vendors and the public shall not be permitted to enter the Division of Purchases to attend bid openings. Vendors and the public who attend bid openings via live streaming shall be required to identify themselves and a record of all such attendees shall be maintained by the Division of Purchases. Vendor bid proposals shall be opened and read aloud at the date and time listed herein. The results of bid solicitations requiring a public copy for public works projects shall be posted on the Division of Purchases website as soon as possible after the bid opening. For RFP solicitations only vendor names shall be read aloud at the opening.

Vendors and the public are further advised that visitor access to the Powers Building at One Capitol Hill, Providence, RI requires pre-screening at the entrance to the building. In accordance with the Governor's Executive Order(s) and Department of Health emergency regulations all visitors to the Powers Building must wear a cloth mask which covers the nose and mouth. Vendors delivering bid proposals to the Division of Purchases should allow sufficient time for the pre-screening process. The Division of Purchases assumes no responsibility for delays caused by the screening process or any other reason. Vendors are solely responsible for on time delivery of bid proposals. The Division of Purchases shall not accept late bids for any reason.

Division of Purchases is inviting you to a scheduled Zoom meeting.

Topic: 7611868

Time: Apr 19, 2021 11:00 AM Eastern Time (US and Canada)

Join Zoom Meeting

https://us02web.zoom.us/j/82332634796?pwd=V1VOYm42SW96R1NDcFl0VStyanhzZz09

Meeting ID: 823 3263 4796

Passcode: 624636 One tap mobile

+13126266799,,82332634796#,,,,*624636# US (Chicago)

+16465588656,,82332634796#,,,,*624636# US (New York)

Dial by your location

+1 312 626 6799 US (Chicago)

+1 646 558 8656 US (New York)

+1 301 715 8592 US (Washington DC)

+1 346 248 7799 US (Houston)

+1 669 900 9128 US (San Jose)

+1 253 215 8782 US (Tacoma)

833 548 0276 US Toll-free

833 548 0282 US Toll-free

877 853 5247 US Toll-free

888 788 0099 US Toll-free

Meeting ID: 823 3263 4796

Passcode: 624636

Find your local number: https://us02web.zoom.us/u/kfVo2QJFD

RFP#7611868

TITLE: Renewable Energy Procurement of Virtual Net Metering Credits Submission Deadline: Monday April 19, 2021 at 10:00 AM ET

1. Where can we get a copy of Exhibit 1 - Accounts and Usage?

The Exhibit files can be found at the RFP link labeled as "Associated Files" State of Rhode Island: Division of Purchases: (ri.gov)

2. Will the State of Rhode Island be the counterparty to the agreements? Or will other state agencies be the ultimate counterparty?

The State of Rhode Island will be the counterparty to the agreement; however, some agreements may require sub-agreements with certain state entities. That will be determined once the State has selected a bidder(s) with projects or active renewable systems.

3. What will be the discount rate used to determine the net present value calculation under the "Pricing Procedures" section?

Please see page 20 of the RFP, which states: "The vendor with the greatest fiscal savings contract proposal shall receive one hundred points. The highest value shall be calculated based on the net-present value of each pricing scenario using a 5% discount rate using all variables provided in Exhibit 2."

4. Under the Technical Requirements section 4.a.i. and 4.a.ii. require that bidders:

"i. Provide a list of all relevant State-Specific Contracting Licenses held, including classification and number (e.g. Master Electrician, NABCEP, Construction Supervisor, Professional Engineer).ii. List any Electrical, Structural and/or Mechanical Engineering Licenses held by firm members, who will be assigned to the project, including classification and number."

However, sometimes from the time that the bid is submitted to the time that the project is under construction there may be a change in the specific subcontractors due to a variety of factors. Will the State allow subcontractors to be swapped out at a later date so long as they hold the required licenses?

Yes. The State recognizes that subcontractors may change with project proposals. Selected vendor(s) will be required to update the State on any changes to subcontractor(s) and confirm appropriate licensing prior to construction.

5. The State identified a "Contract Start Date" of 7/13/2021 for a desired contract completion, but does not identify a desired date to begin receiving energy savings. Can the State please identify a desired date that it wants a contracted project to become operational or start delivering energy credits (i.e., 12/31/2021)?

The objective is to have awards issued by Purchasing to the selected bidder(s) by July 13, 2021. Bidders should include the estimated date that the projects or active renewable energy systems can begin delivering energy credits to the State. The State will review the estimated dates that projects can begin providing energy credits as part of project proposal evaluation.

6. Exhibit A identifies duplicate account names for some of the groups (i.e., Department of Healthcare, Department of Children, Youth and Families, and the Department of Environmental Management), are these duplicate account listings?

The account listing in Exhibit A does not include duplicates. The account coding has different naming conventions. The accounts that appear to be duplicates within the spreadsheet should be added together.

7. Is the Department of Administration the ultimate owner of all identified Net Meter accounts listed and the only organization that would be engaging in the VNMCA? If not, can you please identify how the awarded project(s) allocation are distributed amongst the participating groups and would each group be individually responsible for negotiating and executing their own VNMCAs?

The Virtual Net Metering Credit Agreements would be completed by the Department of Administration on behalf of the participating agencies, with support from the Office of Energy Resources.

8. Regarding summary billing for the State accounts, is the summary invoice to be submitted to the Department of Administration including the involved account groups or a summary invoice of the involved electric bills to the selected participating entity only?

The summary electric bills/invoicing will be submitted to the Office of Energy Resources on behalf of the Department of Administration. Other eligible state entities handle their own respective electricity accounts, but the Office of Energy Resources will coordinate with those state entities, National Grid, and the selected bidder(s). The types of documents and process shall be discussed with the selected bidder(s) after tentative awards have been issued.

9. Reflecting on the siting requirements desired in the RFP, multiple municipalities permitted the rezoning of parcels from residential zones to manufacturing/commercial to allow for solar. Would the State consider them in their evaluation, even if they were previously zoned residential?

The State will evaluate projects based on the zoning designation that a municipalities town or city council has applied to the property.

10. Also, regarding the siting requirements, municipalities created overlay districts that specifically allow and encourage renewable energy development. Would the State consider them in their evaluation?

Yes, overlay districts will be considered in the evaluation if appropriately authorized by the municipality.

11. Can the State please elaborate on its reasoning for prohibiting consideration of renewable energy projects on existing agricultural land or farmlands? This will adversely impact the viability of projects that are planned on those types of lands and the landowners, creating a contradiction to the dual-use energy goals previously impressed upon by the State.

We are not clear as to the meaning of "...impact the viability of projects that are planned..."

The State has specified preferred sites for this RFP. However, these criteria do not impact other state renewable energy programs or laws, or any other public or private arrangements conducted outside of this procurement.

12. Would the State have a preference to acquiring the RI Class I eligible RECs from other existing assets immediately?

The State does not require Class I RECs generated by assets not subject to this procurement.

13. Will projects on parcels of land that are not "environmentally sensitive" and were previously zoned residential be considered as part of this RFP? This includes projects that were re-zoned from residential to commercial for the specific purpose of developing a solar facility.

The State will evaluate projects based on a municipality's zoning designation, consistent with the requirements of this RFP.

14. There are projects within the state of RI that have disturbed land as a result of clear-cutting vegetation on the parcel early in the solar development process. Will these projects be considered "environmentally sensitive" as part of this RFP for either commercial or residentially zoned properties?

No.

15. The RFP states: a. How will financial savings proposals that are structured as percent discounts with no pricing floors be compared to other percent discount bids that have pricing floors?

The State will compare the net present value savings across all pricing proposals by using industry standard electricity price escalation. If applicable, any proposed pricing floors will be noted in the review for the State's evaluation.

16. a. Is there a projection for the virtual net metering rate that goes along with Exhibit B Section 3 "Proposed Quantity" Page 8 & Section 3 "Description of the RFP" | Page 9

There is no projection for the virtual net metering that goes along with Exhibit B.

b. These sections, and others, refer to tasks & specific information in "Exhibit 1";

CLARIFICATION: We would like to confirm that "Exhibit 1" is the same as the attached "Exhibit A".

Exhibit 1 is the same as the attached Exhibit A.

- c. Section 3 "Delivery of Proposals" Page 10 & Section 7 "Proposal Contents" (#4) | Page 21
 - These sections state the quantity and format for the submitted copies of the RFP. We have noted that the sections contradict one another.
 - QUESTION: How many digital and paper copies of the RFP and Technical proposal are expected?

Technical Proposal - describing the qualifications and background of the applicant and experience with and for similar projects, and all information described earlier in this solicitation.

The technical proposal is limited to twenty-five (25) pages (this excludes any appendices and as appropriate, resumes of key staff that will provide services covered by this request).

- a. One (1) Electronic copy on a CD-R, marked "Technical Proposal Original".
- b. One (1) printed paper copy, marked "Technical Proposal -Original" and signed.
- c. Four (4) printed paper copies

Cost Proposal - A separate, signed and sealed cost proposal reflecting the hourly rate, or other fee structure, proposed to complete all of the requirements of this project.

- a. One (1) Electronic copy on a CD-R, marked "Cost Proposal -Original".
- b. One (1) printed paper copy, marked "Cost Proposal -Original" and signed.
- c. Four (4) printed paper copies

d. Section 3 "Description of the RFP" Page 9 & Section 7 "Contents of the Proposal" | Page 12

- a. Both of these sections mention the required RIVIP Bidder Certification Form. There is a discrepancy in the form length—on pg.9 it states 3 pages and on pg.12 it states 4 pages.
 3 pages
- **b.** QUESTION: How many pages should the RIVIP form be? 3 pages
- c. QUESTION: The link to the registration form does not work—where can we find the updated link?
 Ridop.ri.gov
- e. Section 7 "Proposal Contents" | Page 22 (B)
 - a. This section refers to all digital copies being submitted via CD-R.
 - b. QUESTION: Could we submit all the required digital information using flash drives (separated & labeled)?

No. Please see response and criteria for submitting proposals under question 15.

i. QUESTION: If so how many flash drives and copies are expected?

No. Please see response and criteria for submitting proposals under question 15.

f. The vendor with the greatest fiscal savings contract proposal shall receive one hundred points. The highest value shall be calculated based on the net-present value of each pricing scenario using a 5% discount rate using all variables provided in Exhibit 2.

Can you confirm the following regarding the exhibits for the RFP:

- a. Exhibit 1 Accounts and Usage is Exhibit A in the vendor portal? Yes.
- **b.** Exhibit 2 Pricing Form is Exhibit B in the vendor portal? Yes.
- **c.** Exhibit 3 Checklist will this be provided to bidders? This was an error in the RFP. There is no Exhibit 3 or a checklist.
- g. Can you clarify the planned contract start date? Section 2: Procurement Schedule lists July 13, 2021, and the next to last paragraph in Section 3: Scope of Work and Requirements lists July 6, 2021.

The contract date is July 13, 2021.

h. In Section 1: Introduction, Instructions #4, proposals are required to be irrevocable for 180 days. Given that the award is scheduled for ~30 days post bid submission, can bidders provide proposals that are irrevocable for 60 days?

The bids shall be irrevocable for 90 days starting on Monday, April 19th.

i. The Section 3 Contract Award subsection on page 10 of the RFP refers to the State's contract. Can you provide bidders with copy of the state's contract?

There is no prior State Virtual Net Metering Credit Agreement or contract to provide. After notice of award has been issued, the State will begin negotiations on Virtual Net Metering Credit Agreements with the selected bidder(s). If multiple bidder(s) are selected by the State, these negotiations will take place independent of one another.

- j. Starting on page 12, under "Contents of Proposal," in sections 3, 4 and 5, the RFP outlines the proposal requirements for company experience, references and example projects. Related to such requirements:
 - a. Are project examples, references and experience from work outside Rhode Island acceptable?

Bidders can provide additional examples, references and experiences for renewable projects or systems not located in Rhode Island.

b. Our company uses special project entities for each solar project. We plan to provide examples and experience from our work broadly, but will need to submit the proposal and execute a contract at the special project entity level. Can you confirm this construct is acceptable?

The Office of Energy Resources does not understand the question posed. All bidders are expected to be transparent and provide their previous projects, references, and prior experience to be evaluated.

- k. Page 20, first paragraph reads: The vendor with the greatest fiscal savings contract proposal shall receive one hundred points. The highest value shall be calculated based on the net-present value of each pricing scenario using a 5% discount rate using all variables provided in Exhibit 2.
 - a. What is the basis behind using a 5% discount rate?

The state's contracted clean energy financial consultant (Cadmus) has observed a range of discount factors used in MA and RI virtual net metering RFPs. After discussions with the Office of Energy Resources, it was determined to use a 5 percent discount value to evaluate all project proposals submitted.

- 1. The procurement schedule on pages 5-6 lists the final event as "Contract Start Date***" with a date of 7/13/2021.
 - a. We do not see any clarification of the delineation of "***" after the name of this schedule event. Is there any additional information that may have inadvertently been excluded?

No. That was an error in the RFP.

b. We anticipate a contract execution date within these timelines. Does the Division of Purchases require any additional construction or solar credit delivery milestones for this procurement?

Bidders are expected to provide details regarding the proposed project(s) construction schedule, interconnection timeline and operational date (providing credits to the State), as requested in the RFP.

m. Can the State clarify whether the cost proposal and technical proposal are both due on the 4/19/2021 Technical Response Due Date, or whether the State will notify bidders to submit a cost proposal after the Due Date, once they have cleared the technical requirement threshold?

The technical and cost proposals are **both** due on Monday, April 19th.