

83D Questions and Answers

- (28) Section 1.1 – Are all proposal types (i.e., Class I RPS, hydro, both, and transmission projects) subject to the same delivery requirements (by 2022) and preferences (by 2021)? Specifically, how will the Evaluation Team evaluate the hydro or Class I renewable part of a packaged bid if the transmission project it is associated with is not completed until after 2022?

Answer: Yes, all projects are subject to the same delivery requirements. Section 1.1 of the RFP states that Distribution Companies are soliciting proposals for 9.45 TWh of cost-effective clean energy contracts to be entered into by 2022. It goes on to say that the Distribution Companies encourage proposals to begin deliveries prior to the end of 2020 in order to maximize the ability of the Commonwealth to meet the Global Warming Solution Act goals. There is no required in service date in the RFP. The qualitative evaluation, pursuant to RFP section 2.3.2 (iii), will evaluate more favorably projects with delivery dates prior to the end of 2020 that can contribute to meeting the goals of the Global Warming Solutions Act. A conforming change has been made to the RFP in section 2.3.2 (iii) to reflect the correct date. GWSA benefits may also be considered in other parts of the evaluation process.

The precise method of evaluating a project’s ability to assist the Commonwealth in meeting its Global Warming Solutions Act goals will be developed by the Evaluation Team. This information will not be made public.

- (29) Please clarify how the Evaluation Team weighs the “encouraged” ability to deliver by the end of 2020, specifically in relation to maximizing the Commonwealth’s Global Warming Solution Act goals?

Answer: Please see the answer to question 28.

- (42) GWSA Goals. The RFP states that in order to maximize the Commonwealth’s ability to meet its GWSA goals, the EDCs “encourage proposals which include Clean Energy Generation able to commit to begin deliveries prior to the end of 2020 (RFP, Section 1.1.). However, Section 2.3.2(iii) provides that an important factor taken into consideration in the qualitative evaluation of the proposals is “the extent to which the project can support the Commonwealth’s GWSA requirements by delivering Clean Energy Generation and/or RECs or environmental attributes on or before January 1, 2020”. Does the EDCs favour a start of delivery prior to end of 2020 or on or before January 1, 2020?

Answer: Please see the answer to question 28.

- (89) Section 2.3.1.1

- a. Section 2.3.1.1(i) states that: Clean Energy Generation will be evaluated on a mark-to-market comparison of the price of any eligible Clean Energy Generation under a contract to projected market prices at the delivery point with and without the project in service; As a point of comparison, the Three-State Clean Energy RFP used the following definition: Direct contract price benefits will be evaluated using a mark-to-market comparison of the purchase price of any Incremental Qualified Clean Energy and/or RECs under a PPA (including any associated transmission costs under a Rate Schedule or Tariff and Service Agreement) to their projected market prices at the delivery point with the project in-service. (Clean Energy RFP, Section 2.3.1.2). Please explain how the mark-to-market analysis called for in Section 2.3.1.1(i) will be performed.

Answer: The mark-to-market analysis in this RFP will compare the contract price(s) to the forecasted energy market price(s) at the delivery point with the project in service and forecasted REC prices to determine the net Direct Contract Benefits. A conforming change to the RFP in section 2.3.1.1 (i) & (ii) to reflect the corrected language has been made.

- b. Please state whether the contract price of Clean Energy Generation will be compared to projected LMPs at the delivery point both with and without the project in service for the purposes of determining direct contract benefits, and if so, how the comparison of the contract prices to the delivery point LMP under these two future scenarios (with and without project in service) will be combined into a scoring metric.

Answer: Please see the answer to (a) above. Additionally the method of combining this metric with all other evaluated costs and benefits to determine a quantitative score will be determined by the Evaluation Team in consultation with the Evaluation Team Consultant and will not be made available to bidders.

- c. Please explain how the Evaluation Team will define market prices for RECs with and without the project in service.

Answer: The REC value used by the Evaluation Team in evaluating projects will be developed by the Evaluation Team in consultation with the Evaluation Team Consultant. This methodology will not be made public.

- (93) Section 2.3.2(iii): Please identify what weight the Evaluation Team will provide to deliveries of Clean Energy Generation and/or RECs or environmental attributes on or before January 1, 2020 as part of the Quantitative Evaluation under Section 2.3.2(iii) of the RFP.

Answer: Please see the answers to question 28.