



**Solicitation Information**  
22 April 09

**Request for Proposals # 7240880**

**Title: Onshore Wind Turbine Partnership Proposal**

**Submission Deadline: 19 May 09 @ 2:00 PM (Eastern Time)**

Questions concerning this solicitation must be received by the Division of Purchases at [questions@purchasing.state.ri.us](mailto:questions@purchasing.state.ri.us) no later than **5 May 09 at 12:00 Noon (ET)**. Questions should be submitted in a *Microsoft Word attachment*. Please reference the RFP / LOI # on all correspondence. Questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information.

**SURETY REQUIRED: No**

**BOND REQUIRED: No**

**Jerome D. Moynihan, C.P.M., CPPO**  
**Administrator of Purchasing Systems**

**Vendors must register on-line at the State Purchasing Website at [www.purchasing.ri.gov](http://www.purchasing.ri.gov)**

Note to Vendors:

**Offers received without the entire completed three-page RIVP Generated Bidder Certification Form attached may result in disqualification.**

**THIS PAGE IS NOT A BIDDER CERTIFICATION FORM**

## **SECTION 1 – INSTRUCTIONS AND NOTIFICATIONS TO PROPOSERS:**

The Rhode Island Department of Administration/Division of Purchases, on behalf of The Rhode Island Department of Environmental Management, is soliciting proposals for a private partner to support the Rhode Island Energy Independence 1 wind power project, from qualified respondents, and in accordance with the terms of this Request for Proposals and the State's General Conditions of Purchase.

This solicitation, and subsequent award, is governed by the State's General Conditions of Purchase, which is available at [www.purchasing.ri.gov](http://www.purchasing.ri.gov)

The scope of work is described herein.

Potential respondents are advised to review all sections of this solicitation 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 encouraged. However, proposals which depart from or materially alter the terms, requirements, or scope of work defined by this Request will 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 respondent. The State and the Town assume no responsibility for these costs.

Proposals are considered to be irrevocable for a period of not less than sixty (60) days following the opening date, and may not be withdrawn, except with the express written permission of the State Purchasing Agent.

**The State and the Town reserve the right to unconditionally accept or reject any and all proposals.**

Proposals misdirected to other State or Town locations or which are otherwise not present in the Office of Purchases at the time of opening for any cause will be determined to be late and may not be considered.

It is intended that an award pursuant to this request will be made to a prime contractor, who will assume responsibility for all aspects of the work. Joint venture and cooperative proposals will be considered, and subcontractors are permitted, provided that their use is clearly indicated in the respondent's proposal, and that the joint venture partners and subcontractor(s) proposed to be used are identified in the proposal. No assignment of this contract by the prime contractors should be permitted.

The contract shall be awarded in two components, one being for projects constructed on State property and the other that will be constructed on the Town of Narragansett's property. If there is a significant savings in project cost or an increase in revenues, the contract may include a bundled component for a combined State and Town project, providing both parties agree to the terms and provisions of the awarded proposal.

An original proposal plus four (4) copies, are required, including Standard Form 330 (available on the Purchasing Website on the Standard Forms page), as well as other details including personnel, experience, and qualifications data. The State reserves the right to make an award or to reject any or all proposals based on what it considers to be in its best interest.

Evaluation of proposals will include consideration of competence and specific experience in onshore wind turbine projects to provide the required services; experience and qualifications of personnel; availability of personnel, equipment and facilities to perform expeditiously; past performance with respect to control of costs, quality of work, ability to meet deadlines; the submittal of a formal work plan; evidence of fiscal capacity and the proposed payment to State / Town for use of the property and yearly power generation revenues.

Respondents are advised that reimbursable expenses, to include sub-consultant services, that may be included in the contract award resulting from this solicitation shall not exceed actual cost incurred x 1.06.

Persons or firms practicing Architectural and/or Engineering Services in the State of Rhode Island must possess a proper registration and Certificate of Authorization in accordance with Rhode Island General Laws.

A copy of the current Rhode Island Certificate of Authorization for the firm and current Rhode Island registration(s) for the individual(s) who would perform the work must be included behind the front page of each copy of the Proposal.

An offeror who does not have a current Rhode Island Certification of Authorization for the firm and current Rhode Island registration(s) must acknowledge non-compliance with this requirement and confirm in writing that, if selected for the project, will expedite acquisition of a Rhode Island registration(s) and Certificate of Authorization(s), the attainment of which will be required before an award will be made. The letter of acknowledgement must be included behind the front page of each copy of the Proposal.

The Board of Design Professionals can be contacted as follows:

Board for Design Professionals  
1511 Pontiac Avenue (Bldg 68-2)  
Cranston, RI 02920  
Tel: 401-462-9530  
Fax: 401-462-9532  
Website: [www.bdp.state.ri.us](http://www.bdp.state.ri.us)

The respondent's Proposal may be disqualified and removed from consideration if the Proposal fails to include the required current Rhode Island Certificate of Authorization for the firm and current Rhode Island registration(s), or, in absence of these documents, to acknowledge need to acquire them prior to award if selected.

In accordance with Title 7, Chapter 1.1 of the General Laws of Rhode Island, no foreign corporation, a corporation without a Rhode Island business address, shall have the right to transact business in the state until it shall have procured a Certificate of Authority to do so from the Rhode Island Secretary of State (401-222-3040). *This is a requirement only of the selected vendor(s).*

Bidders are advised that all materials submitted to the State of Rhode Island for consideration in response to this Request for Proposal will be considered to be public records, as defined in Title 38 Chapter 2 of the Rhode Island General Laws, without exception, and will be released for inspection immediately upon request, once an award has been made.

Interested parties are instructed to peruse the Division of Purchases website on a regular basis, as additional information relating to this solicitation may be released in the form of an addendum to this RFP.

The respondent should be aware of the State's Minority Business Enterprise (MBE) requirements, which addresses the State's ten per cent (10%) participation by MBE's in all State procurements. For further information, contact the MBE Administrator, at (401) 574-8253 or visit the website at <http://www.mbe.ri.gov>

Awards resulting from this Request will be subject to the State's General Conditions of Purchase, which are available through the Internet at [www.purchasing.ri.gov](http://www.purchasing.ri.gov).

Questions, in **Microsoft Word Format**, concerning this solicitation, may be e-mailed to the Division of Purchases at [questions@purchasing.state.ri.us](mailto:questions@purchasing.state.ri.us) no later than the date & time indicated on page 1 of this solicitation. Please reference the RFP # on all correspondence.

Responses to questions received, if any, will be provided, as an Addendum to this RFP, and posted on the Rhode Island Division of Purchases website at ([www.purchasing.ri.gov](http://www.purchasing.ri.gov)) It is the responsibility of all interested respondents to download this additional information. *If technical assistance is required to download, call the Help desk at (401) 222-3766*

## **SECTION 2 – PROJECT DESCRIPTION**

### *Introduction*

The State of Rhode Island (State) and the Town of Narragansett (Town) recognize the benefits of renewable energy, and have goals to reduce air emissions from the electric generation sector, as well as to benefit from long-term electrical energy price stability and to maximize the economic development potential inherent in renewable energy projects. Rhode Island has abundant wind energy resources and would like to use it to increase the states renewable energy resources

The State, Rhode Island Department of Environmental Management and the Town own and operate beach facilities, parks and management areas, and municipal parcels some of which are sited along the coast with a good wind resource that could potentially support utility scale wind turbines. The State and Town recognize the significance of these properties and that their primary purpose is to provide public benefit. The State and Town also recognize the need to increase revenues for the State of Rhode Island and Town and that wind power development on one or a combination of these sites has the potential to be a new revenue source for the State and Town and to provide for the electric needs of the facilities. Done properly, the State and Town could benefit from this new revenue source without compromising the existing public recreational, scenic and wildlife benefits that these sites provide.

Additionally, the State and Town recognize the financial benefit of “behind the meter” applications for small land-based projects in Rhode Island. In these applications, the wind resource and turbine size are matched to the electricity demand at an existing facility to offset existing electricity costs and to provide revenue where the supply exceeds demand at the facility. This project takes this consideration into account to maximize behind the meter benefit for all potential sites contained herein.

The State, through its Department of Environmental Management, and the Town are seeking a company with experience in the design/development, construction, financing and operation and maintenance of wind turbines to partner in the construction of a limited number of wind turbines on three potential State and two Town of Narragansett properties all located within in the Town of Narragansett.

This proposal’s goal is to maximize revenue and provide energy needs for the State and Town over the life of the facility. Therefore, the State and Town are seeking proposals from developers for a project on one or a combination of three State sites and two Narragansett sites that maximize revenues for the State and Town. The State and Town do not have the capital to purchase the wind turbines; however, the State and Town controls the properties where the wind turbines can be located.

State /Town will accept proposals that would allow development of the State/Town parcels under the following scenarios:

1. The developer will own, operate and maintain the turbines and lease property from State /Town. The lease could be a flat payment, a flat payment with a premium payment dependent upon the amount of energy produced, or payment plus the provision of power to state park and/or beach facilities.
2. The turbines would be jointly owned by State/Town and the developer. Revenues from energy production will be split between the partners.
3. State/Town will own the wind turbines and provide payments to the developer based on generated electricity from the units.

4. Other scenarios that could be agreed upon by the State or Town and the developer.

The wind turbines will be limited to the following three DEM controlled properties: Camp Cronin, Black Point and property on the southwest side of the Galilee Escapeway Road. The proposed Town of Narragansett properties include the Scarborough Treatment Plant on Ocean Rd, adjacent to the State's Scarborough Beach, and the Department of Public Works site on Westmoreland St., approximately ½ mile east of Mariner Square. Responder should identify which site or sites it is interested in for wind turbine development.

When determining siting of the wind turbines the developer will use the DEM Guidance document entitled "Terrestrial Wind Turbine Siting Report" and will comply with all other Federal, State, and local rules, regulations, laws and ordinances including any deed restrictions.

RIDEM Division of Parks and Recreation and the Town of Narragansett are the owners and operators of the facilities and will have full design review and approval authority for this project. The proposal will address how or if the project will require review, approval or contact with the following organizations to meet state, municipal or federal rules or regulations. The proposal will specifically address requirements of the following organizations:

- Coastal Resources Management Council
- RI Department of Environmental Management
- RI Historical Preservation and Heritage Commission
- RI State Building Code Commission
- RI State Fire Marshal
- Any deed restrictions on any of the properties
- Galilee Oversight Committee (Town of Narragansett subcommittee)
- Federal Aviation Administration
- Any other Federal, State, and/or local rules or regulations not listed above should also be identified in the proposal

The proposal will also address the following:

- Assumptions used to determine the energy generation capacity of the sites where the turbines will be located.
- Information that the proposed facilities will meet siting, noise, public safety, icing and avian concerns raised in the "Terrestrial Wind Turbine Siting Report".
- Any operational considerations to address conditions when the wind turbines operations might be limited in order to be safely operated.
- Any steps that need to be taken to reduce public risk especially under high wind and icing conditions.
- The issue of risk needs to be addressed in a comprehensive manner since the wind turbines may be collocated with Rhode Island active or passive public recreational facilities including camps, beaches and/or trails.
- All costs associated with delivery of energy in a bilateral contract arrangement from a wholesale power supplier. To the extent that transmission costs would be borne by the project, either new lines or upgrades, they should be included in the revenue projections.
- Detail all operation and maintenance costs by year for the duration of the project life.

The State/Town will consider a lease / operation time period not to exceed 20 years. The proposal shall include:

- A yearly rental fee and a percent of gross revenues,
- A payment schedule to the state for the lease/power share arrangements being proposed;
- Decommissioning cost and process to decommission the turbines, and
- Yearly operation and maintenance costs.
- The yearly fee and the expected lifetime payment provided to State/Town over the lease / operation time period.
- Any lease with State/Town will not be assignable without State/Town approval

In order to compare proposals, it will be assumed that a benchmark project would be built entirely with State/federal funds and entirely State/Town owned. In other words the benchmark would give the state maximum revenue by building the largest project/turbines we could afford with our own money. The developer will compare the proposed project to the benchmark project.

In the event that this project is determined to be a project of Economic Concern as designated by the Rhode Island Department of Economic Development; the State and Town will prioritize the review of any permits needed as required by this designation.

#### *Rhode Island Renewable Energy Portfolio Standard*

Under R.I.G.L. § 39-26-1, the State mandates that a portion of the electricity sold by retail electricity sellers in the state be from renewable energy sources, documented by renewable energy certificates (REC's). This provides an additional revenue stream to renewable energy generators for qualifying facilities, of which the project contemplated by this solicitation will be one. Proposers should consider this additional revenue stream in the development of the pricing proposal.

The State/Town desire that the REC's generated by this project be used to satisfy the Rhode Island requirement, and proposers should commit to this in their proposals. Any REC's generated in excess of the Rhode Island requirement may be sold into the REC markets in other states.

#### *Power Purchase Contracts*

Rhode Island is developing a means to execute long-term contracts for renewable energy. This will be done either through the distribution companies, a quasi-public state power authority, or both. With either mechanism, the State/Town will use its best efforts to assure a long-term contract for energy produced by the facility.

#### *Proposal Evaluation Premises*

The State and Town are seeking qualified proposers with a history of success in major electrical energy facility project development, and in particular land based wind power project development. Proposals will be ranked in accordance with the type of project experience demonstrated by the proposer. Proposals involving State sites only will be evaluated exclusively by the State, proposals for Town sites only will be evaluated exclusively by the Town. Proposal which include both State and Town sites will be evaluated by a joint committee representing State and Town interests. Ranking factors are delineated in the Proposal Criterion Ranking chart below.

<b>Proposal Ranking Criterion</b>		
<i>Proposal valuation Criterion</i>	Weight	Considerations
Experience	10%	1. Number of on-shore wind power facilities: a. Completed b. In permitting
	10%	2. Energy generating capacity of facilities built and operated
	15%	3. Vendor specific experience: a. Competence and general experience to provide the required services; b. Experience and qualifications of personnel; c. Availability of personnel, equipment and facilities to perform expeditiously; d. Past performance with respect to control of costs, quality of work, ability to meet deadlines; e. The submittal of a formal work plan; f. Evidence of fiscal capacity
Completion of project	20%	4 Ability of the contractor to complete construction of the wind turbines by 12/31/2010
Price Proposal	20%	5. Lowest construction price, \$/MW-h
Revenue Sharing	25%	6. Highest yearly land rental fee, and energy production generation %.

Consistent with State/Town goals, proposals will be evaluated to give the highest priority to the project that maximizes revenues for the State and Town and provide maximum customer side “behind the meter” electricity to the State or Town facility at the turbine site. The State and Town expect that final pricing will be negotiated with the successful respondent, and that proposed pricing will be within a range of plus or minus ten percent (10%) of final pricing. The State and Town reserve the right to terminate negotiations based on final pricing if it is above the proposed price plus ten percent (10%).

*Proposal Elements*

At a minimum, proposals shall contain the following elements:

1. A completed and signed three-page RIVIP generated bidder certification cover sheet (downloaded from the RI Division of Purchases Internet home page at [www.purchasing.ri.gov](http://www.purchasing.ri.gov))
2. A completed and signed W-9 Form downloaded from the RI Division of Purchases Internet home page at [www.purchasing.ri.gov](http://www.purchasing.ri.gov) by clicking on RIVIP, then General Information and then Standard Forms.
3. Qualification statement for the firm or team, including, but not necessarily limited to:
  - a. The experience of the firm or, for a team, the experience of each team member in land based wind energy generation project development, and other energy generation project development.

- b. The experience of key firm or team members in wind energy generation project development and other energy generation project development.
  - c. An organizational chart for the project team indicating the name of the team member, the team reporting structure and a narrative describing the responsibility of the team member.
  - d. Financial information demonstrating the capability of the firm or team to complete the project successfully. Audited financial statements are not required for this proposal, but will be prior to the beginning of final price negotiations. Significant deviation in the audited financial statements from information submitted with the proposal will be cause for termination of final negotiations.
  - e. Other information at the discretion of the proposer that will demonstrate the firm or team's ability to meet the State's goals for this project.
4. Price Proposal and Proposed State Revenue Estimate - as described above.
  5. A project schedule including all major activities from notice to proceed to project operation.
  6. In addition to the multiple hard copies of proposals required, Respondents are requested to provide their proposal in electronic format (CDROM). Microsoft Word / Excel OR PDF format is preferable. Only one (1) electronic copy is requested. This CD should be included in the proposal marked "ORIGINAL".
  7. The proposal will be broken into two sections. The first will outline the proposal for DEM controlled properties. The second will be for properties controlled by the Town of Narragansett. The proposal should indicate if there are significant savings in project cost or an increase in revenues or an economy of scale by bundling a component for a combined State and Town project.

END