



September 22, 2015

Solicitation Information

RFP # 7549904

TITLE: Electricity Supply

SUBMISSION DEADLINE: October 13, 2015 at 11:30 AM (Local Time)

PRE-BID/ PROPOSAL CONFERENCE: **Yes** Date: September 29, 2015 at 3:00 PM
MANDATORY: **No**
LOCATION: **Bid Conference Room, Division of Purchases, One Capitol Hill 2nd FL., Providence RI 02908**

Questions concerning this solicitation must be received by the Division of Purchases at thomas.bovis@purchasing.ri.gov no later than October 1, 2015 at 4 PM. Questions should be submitted in a *Microsoft Word* attachment. Please reference the RFP# in the subject of all correspondence. Questions received, if any with responses will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to monitor the website and download this information.

BID SURETY REQUIRED: **No**

PERFORMANCE BOND REQUIRED: **No**

Thomas Bovis
Interdepartmental Project Manager

Vendors must register on-line at the State Purchasing Website at www.purchasing.ri.gov.

NOTE TO VENDORS:

Offers received without the completed RIVP Generated Bidder Certification Form attached may result in disqualification. This form is available at www.purchasing.ri.gov.

THIS PAGE IS NOT A BIDDER CERTIFICATION FORM

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1 GENERAL INSTRUCTIONS AND NOTIFICATIONS TO VENDORS

Potential vendors are advised to review all sections of this Request for Proposal (RFP) carefully and to follow instructions completely, as failure to make a complete submission as described elsewhere herein may result in rejection of the proposal.

This is a RFP, not an Invitation for Bid. Responses will be evaluated on the basis of the relative merits of the proposal, in addition to price; there will be no public opening and reading of responses received by the Division of Purchases pursuant to this request, other than to name those potential vendors who have submitted proposals.

1. Potential vendors are advised to review all sections of this RFP carefully and to follow instructions completely, as failure to make a complete submission as described elsewhere herein may result in rejection of the proposal.
2. 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 RFP will be rejected as being non-responsive.
3. All cost associated with developing or submitting a proposal in response to this RFP, or to provide oral or written clarification of its content shall be borne by the potential vendor. The State assumes no responsibilities for this cost.
4. Technical proposals are considered to be irrevocable for a period of not less than one hundred twenty (120) days following the opening date, and may not be withdrawn, except with the express written permission of the State Purchasing Agent.
5. All prices submitted during the pricing events will be considered to be firm and fixed unless otherwise indicated herein.
6. Proposals misdirected to other state locations, or which are otherwise not present in the Division of Purchases at the time of opening for any cause will be determined to be late and will not be considered. For the purposes of this requirement, the official time and date shall be that of the time clock in the reception area of the Division of Purchases.
7. It is intended that an award pursuant to this RFP will be made to a prime vendor(s) who will assume responsibilities for all aspects of the work. The State reserves the right to award to multiple vendors. Joint venture and cooperative proposals will not be considered. Subcontractors are permitted, provided that their use is clearly indicated in the vendor's proposal and the subcontractor(s) to be used is identified in the proposal.
8. All proposals should include the vendor's FEIN or Social Security Number as evidenced by a Form W-9, downloadable from the Division of Purchases' website at www.purchasing.ri.gov.
9. The purchase of services under an award made pursuant to this RFP will be contingent on the availability of funds.

10. Potential vendors are advised that all materials submitted to the State for consideration in response to this RFP will be considered to be Public Records as defined in Title 38, Chapter 2 of the General Laws of Rhode Island, without exception, and will be released for inspection immediately upon request after an award has been made.
11. Potential vendors are instructed to peruse the Division of Purchases' website on a regular basis, as additional information or changes relating to this solicitation may be released in the form of an addendum to this RFP. It is the responsibility of all potential vendors to monitor the website and be familiar with any changes issued as part of an addendum.
12. Equal Employment Opportunity (G.L. 1956 § 28-5.1-1, et seq.) - §28-5.1-1 Declaration of policy – (a) Equal opportunity and affirmation 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 services, grants and financial assistance, and in state licensing and regulation. For further information, contact the Rhode Island Equal Opportunity Office at (401) 222-3090.
13. In accordance with Title 7, Chapter 1.2 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 (401-222-2040). This is a requirement only of the successful vendor(s).
14. Potential vendors should be aware of the State's Minority Business Enterprise (MBE) requirement, which should address the State's goal of ten percent (10%) participation by MBE's in all State procurements. For further information, please contact the MBE Administrator at (401) 222-6397 or visit the website www.mbe.ri.gov or by email at Cheryl.burrell@doa.ri.gov.
15. Insurance Requirements: The successful vendor (Contractor) shall provide proof of the following insurances with submission of the vendor's technical proposal:
 - A. Commercial General Liability Insurance: Contractor shall obtain, at Contractor's expense, and keep in effect during the term of this contract Commercial General Liability Insurance covering bodily injury, and property damage in a form and with coverage that are satisfactory to the State. This insurance shall include personal and advertising injury liability, independent contractors, products completed operations, contractual liability and broad form property damage coverage. Coverage shall be written on an occurrence basis. A combined single limit of \$1,000,000 per occurrence and aggregate is required.
 - B. Workers Compensation and Employers Liability: Contractor shall obtain statutory Workers Compensation coverage in compliance with the compensation laws of the State of Rhode Island. Coverage shall include Employers Liability Insurance with minimum limits of \$100,000 each accident, \$500,000 disease or policy limit, \$100,000 each employee.

- C. Indemnification: The State will be defended, indemnified and held harmless to the full extent of any coverage actually secured by the Contractor in excess of the minimum requirements set forth above. The duty to indemnify the State under this agreement shall not be limited by the insurance required in this agreement.
- D. Independent Contractors, neither eligible for nor entitled to, Workers Compensation must file with the Department of Labor and Training, Division of Workers Compensation a Notice of Designation as Independent Contractor Pursuant to RIGL 28-29-17.1 naming the State of Rhode Island Department of Administration as the hiring entity.
- E. The liability insurance coverage required for the performance of the contract shall include the State of Rhode Island the Department of Administration and its divisions, officers and employees as Additional Insureds but only with respect to the Contractor's activities under this contract.
- F. The insurance required in this agreement, through a policy or endorsement shall include:
 - A) Waiver of Subrogation waiving any right to recovery the insurance company may have against the State.
 - B) A provision that Contractor's insurance coverage shall be primary as respects any insurance, self-insurance or self-retention maintained by the State and that any insurance, self-insurance or self-retention maintained by the State shall be in excess of the Contractor's insurance and shall not contribute.
- G. There shall be no cancellation, material change, potential exhaustion of aggregate limits or non-renewal without thirty days (30) written notice from the Contractor or its insurer(s) to the Department of Administration. Any failure to comply with the reporting provisions of this clause shall be grounds for immediate termination of this contract.
- H. As evidence of the insurance coverage required by this contract, the Contractor shall furnish Certificate(s) of Insurance to The Department of Administration, Purchasing Division at least 48 hours prior to the commencement of work. A copy of additional insured wording from the commercial liability insurance policy will be sent along with the insurance certificate. Failure to comply with this provision shall result in rejection of the bid offer.
- I. Insurance coverage required under the contract shall be obtained from insurance companies acceptable to the Department of Administration.
- J. The Contractor shall pay for all deductibles, self-insured retentions and/or self-insurance included hereunder.

- K. The Purchasing Agent reserves the right to consider and accept alternative forms and plans of insurance for any individual requirement.
16. The Contractor will not provide services prior to the issuance of a purchase order/agreement by the Division of Purchases.
17. Questions concerning this solicitation may be e-mailed to the Division of Purchases at thomas.bovis@purchasing.ri.gov no later than the date and time indicated on page one of this RFP. Please reference the RFP # in the subject of all correspondence. Questions should be submitted in a Microsoft Word attachment. Answer to 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. If technical assistance is required to download, call the Help Desk at (401) 574-9709. Potential vendors are encouraged to submit written questions to the Division of Purchases. No other contact with State parties regarding the RFP will be permitted unless expressly authorized by the Division of Purchases.
18. Potential vendors may submit proposals to provide the services covered by this Request on or before the date and time listed on the cover page of this solicitation. Responses received after this date and time, as registered by the office time clock in the reception area of the Division of Purchases will not be considered.

2 PROCUREMENT SCHEDULE

The tentative schedule for this procurement (Procurement Schedule) is presented in the following figure. Please note that the Procurement Schedule is subject to change at any time and at the sole discretion of the State.

EVENT	DATE	TIME
Vendor Call-In Teleconference *	September 29, 2015	3:00 PM – 4:00 PM ET
Demo Auction Held for Approved Vendors	As needed	1:30 – 2:00 PM ET
Pricing Event(s)	October 21, 2015	10:00 AM – 2:00 PM EDT
Contract Award(s)	TBD	3:00 PM ET
Contractor Required Documents (i.e., insurance certificates, MBE plan)	TBD	5:00 PM ET
Enrollment Report Due	November 13, 2015	5:00 PM ET
Supply Contract Service Start Date	On Utility December 2015 Meter Read	

* Potential vendors are invited to call into the teleconference. The call-in number is 1 (877) 273-4202; conference room number 1885438. Only questions about the terms and conditions of the RFP and account data will be addressed during this call.

Figure 1: Procurement Schedule

3 INTRODUCTION AND OVERVIEW

3.1 Objective of the Request for Proposals

The State of Rhode Island's Department of Administration (DOA), Division of Purchases (the "Division" or the "State") on behalf of Executive and Judicial Branches of Rhode Island, and the Rhode Island Resource Recovery Corporation, a quasi-agency, is soliciting bids from qualified suppliers of electricity to provide firm supply of electricity to select accounts.

This RFP outlines the State's requirements, the instructions and terms of the RFP, and the State of Rhode Island's General Conditions of Purchase, which can be obtained from the Division of Purchases' internet address at: www.purchasing.ri.gov. Additionally, all terms and conditions contained in the attached contract template shall apply.

3.2 Acquisition Method

The State is utilizing an internet-based energy procurement platform provided by World Energy Solutions, Inc.¹ (World Energy) to obtain pricing. The pricing product details are described in Section 8.0.

The procurement will be a two-step procurement process. Potential vendors (i.e., licensed retail electricity suppliers) are required to submit an un-priced technical proposal which is evaluated in accordance with this RFP (see Section 6.0 for additional information). Vendors whose technical proposals are found to be acceptable will be approved to participate in the pricing event(s). Notice of the approved vendors will be posted on the Division of Purchases' website.

Vendor's prices shall be submitted at www.wesplatform.com in accordance with the pricing product definitions included this RFP and the bidding instructions at: <https://www.wesplatform.com/webportal/AnnouncementView.aspx?id=9088&upload=1> (Procurement Website). The State may request pricing for various pricing products, swings, account groups, and contract terms.

All bids must be submitted by the close of each pricing event. A detailed Pricing Event Schedule (Exhibit 2) will be posted prior to the pricing event date. This schedule is subject to change at the sole discretion of the State. All bids submitted through the procurement platform on the day of the pricing event are considered binding through 3:00 PM on the day of the pricing event. Bids will only be considered on the date that they are received. Once a bid for an account or group of accounts is accepted and awarded, no further bids for that account will be considered.

It is the intent of the State to award a contract(s) to a vendor(s) on the basis of "best value" to the State. The State will consider items such as supply term and price when determining the

¹ World Energy Solutions, Inc. was acquired by EnerNOC, Inc. in January 2015. World Energy Solutions, Inc. is now a wholly owned subsidiary of EnerNOC, Inc.

"best value." The State reserves the right to reject any and all bids received if it is determined that it is in the best interest of the State.

The State will issue notice to the successful vendor (the "Contractor") on behalf of all participants listed in Exhibit 1. The notice will be an official and binding acceptance of the vendor's offer. The vendor will receive notice stating that the State has accepted the vendor's offer no later than 3:00 PM on the day of the pricing event. .

Alternate bids (bids based on terms or conditions different than those established by this Contract) are not permitted; all prices submitted through the World Energy procurement platform shall be in accordance with the provisions of this Contract. It shall be the express responsibility of the approved vendors to understand both the rules and the mechanics of the World Energy procurement platform. As part of this procurement a vendor teleconference will be held, and platform training will be provided to any approved vendor who requests it.

3.3 Background on State/Local Accounts

This RFP is for select State entity electricity accounts, including the Judicial Branch and Resource Recovery, which may benefit from third party retail electricity supply. The State will provide meter numbers and locations. Accounts not listed may be added to these requirements (see Section 7.0, Adding Facilities to this Contract for additional information).

3.4 Electricity Supply Requirements

The purpose of this RFP is to solicit, evaluate, and select, through a competitive bidding process, a source of supply for all electricity supply commodity components up to the delivery point including but not limited to energy, capacity, congestion charges, day-ahead and real-time reliability must run operating reserve charges (Daily RMR Costs), ancillary services, line losses and network firm transmission necessary for the firm supply of electricity to eligible facilities located in Rhode Island. The successful vendor (i.e. Contractor) will supply the full requirements of such electricity for the number of full monthly billing cycles as specified in Exhibit 1 and awarded to the vendor.

All quantities required to be supplied to facilities included in this contract shall be considered firm requirements ("firm" means electric supply that will not be interrupted unless such interruption is due to a Force Majeure as defined in Section 7.0, Force Majeure for delivery by the vendor to the Delivery Point. The vendor shall be liable for all actual, direct penalties assessed to facilities for the non-delivery of firm requirements. The electricity provided under this contract shall conform to the tariff of the interstate/intrastate transmitting utility and the Local Distribution Utility (LDU) at the Delivery Point for the accounts specified in Exhibit 1.

The State's annual requirements for the accounts can be obtained through National Grid and are also included in Exhibit 1. Letters of Authorization (LOAs) will be provided to potential vendors who request them.

3.5 Term of Requirement

The State is seeking price proposals for electricity supply for number of terms including 10, 22, and 34 months. A detailed Pricing Event Schedule will be posted on the date indicated in the Procurement Schedule. It will include the exact term and account groupings. The base contract will be determined by the State's acceptance of the vendor's pricing for 10, 22 or 34 months.

In addition to the base term, the State reserves the right to extend the contract with the selected vendor for 12 month increments beyond the base term at a negotiated rate, if deemed to be in the best interests of the State. However, the total term (base term plus any extensions) shall not exceed five (5) years, unless otherwise authorized by the Chief Purchasing Officer (see Section 7.0, Extension Provisions for additional information regarding extending the contract).

3.6 Proposed Quantity

The quantity required for this solicitation is the full requirements of the accounts specified in this RFP under Exhibit 1 plus any added accounts.

3.7 Behind the Meter Generation

The State has reviewed the accounts contained in Exhibit 1 and to the best of its ability determined that the following accounts have behind the meter generation:

- The Pastore building, account number 7824636005, has behind the meter generation.

Please note that the State is currently engaged in energy conservation/load reduction projects and anticipates that there will be move projects in the future. As per the Material Change Clause, the State will notify the Contractor if an energy conservation project materially affects future usage for any accounts under a fixed price contract. In the event it does, the Contractor will apply RFP Section 7.0, Liquidated Damages Provision to the excess electricity requirements. The State will work with the Contractor to determine the most economically beneficial manner to liquidate the excess requirements.

3.8 Technical Proposal Requirements

All technical proposals (see RFP Section 5.0) must be prepared in accordance with the requirements and procedures of this RFP (see RFP Section 5.6) and the Threshold Criteria (see RFP Section 6.2) and Required Information (see RFP Section 5.6.9) as outlined in this RFP. Potential vendors must meet or exceed all threshold criteria to be considered as an approved vendor. Potential vendors are required to respond to all questions and to provide the specific information requested, if applicable. To facilitate the evaluation and selection process, all potential vendors are required to align their proposals to the format as specified.

3.9 Rights of the Purchaser

The State reserves the right to reject all bids and to terminate the RFP at its sole discretion. The issuance of the RFP in no way obligates the State to negotiate a contract with any vendor. The State reserves the right to negotiate provisions of the contract, which can provide benefits to the State. The State shall be under no obligation to accept the lowest cost or highest scoring proposal or to return any proposal or materials submitted in response to this RFP.

3.10 Description of the RFP

In addition to the Introduction and Overview, the RFP contains other important sections and several Exhibits. Detailed usage data is available at the auction website.

4 INSTRUCTIONS TO POTENTIAL VENDORS

4.1 RIVIP Cover Sheet

A potential vendor is required to register with the State of Rhode Island at the purchasing website and to complete and submit the cover sheet. The vendor needs to go the RIVIP registration page at <https://www.purchasing.ri.gov/RIVIP/VendorRegistration.asp>. Once a vendor has registered, they must sign in with their vendor number and password in the upper left corner, then access the bid or RFP (No. 7549904). This cover sheet is also call the RIVIP Bidder Certification Cover Form. A vendor must register on-line to be able to generate the Cover Form. **Failure to submit the RIVIP Bidder Certification Cover Form may be cause for rejection of your bid.**

Potential vendors, please note RIVIP Certification Form, Section 2.2 Pricing does not need to be filled in when the form is submitted with the potential vendor's technical response. The section will be completed for the selected vendor at the conclusion of the pricing event.

4.2 Submission of the Bids and Public Opening

The Division of Purchases must receive all technical proposals including the RIVIP Bidder Certification Cover Form by the bid opening date and time. The submission of a technical proposal after the bid opening date and time will result in disqualification of the proposal.

4.3 Bid Evaluation Process

The State will undertake an evaluation of all the technical proposals received relative to the threshold and evaluation requirements.

4.4 Auction Pricing Procedures

As discussed in Section 3.2 Acquisition Method, the State is utilizing an internet-based energy procurement platform provided by World Energy to obtain pricing for this procurement. The procurement will be a two-step procurement process. Potential vendors (i.e., licensed retail electricity suppliers) are required to submit an un-priced technical proposal which is evaluated in accordance with this RFP (see Section 6.0 for additional information). Vendors whose technical proposals are found to be acceptable will be approved to participate in the pricing event(s). The State may choose to run just a reverse auction, a sealed bid process or any other competitive pricing process authorized by law. Specific information regarding the pricing event(s) and schedule will be contained in Exhibit 2, the Pricing Event Schedule, which will be provided in advance to all approved vendors.

Regardless of the type of pricing event chosen, approved vendors must submit their prices at www.wesplatform.com in accordance with the pricing product definitions included this RFP and the bidding instructions at the Procurement Website.

Potential vendors must hold the prices in its price proposal firm from the time prices are submitted on the day of the pricing event (see RFP Section 2.0, Procurement Schedule) until 3:00 PM that day. By that time, the State may issue a Letter of Authorization accepting the vendor's price.

If NYMEX Henry Hub gas prices move up or down from the NYMEX Henry Hub settled price on the day of the pricing event, as published in Platt's Gas Daily against the 12 month natural gas strip as quoted at www.nymex.com, more than 4.0% at any time between the auction start time and auction end time, local prevailing time in Providence, RI; the State will not require bidders to hold their bid prices if award notification has not already been provided; though they may do so at their own risk. A bidder must notify World Energy via e-mail at kyle.mason@enernoc.com if they wish to delete a bid due to a market movement of over 4.0%; verbal communication will not be accepted. World Energy must verify such movement in order for the bid to be cancelled.

4.5 Contract Award

The RFP is issued for the State of Rhode Island by the Rhode Island Purchasing Agent, Division of Purchases that is under the jurisdiction of the Department of Administration for the State of Rhode Island. Neither the submission of a technical proposal nor approval to bid in the pricing event(s) by the State shall constitute a binding contract. All non-executive branch entities participating in this procurement have signed a binding Participation Agreement committing themselves to any contract award by DOA. A Master Price Agreement will be issued for these requirements after a notice of award is sent by email to the selected vendor. The State will issue a notice of award by electronic mail to the selected vendor(s) on behalf of all agencies listed in Exhibit 1 no later than the date and time indicated in the Procurement Schedule. Notice of award is official and binding. The official award document (i.e., the Master Price Agreement) will be issued and distributed a few days after the auction. Other eligible entities participating in this procurement will issue a release (e.g., purchase order) to the selected vendor based on the State's contract. A MPA is one form of a State Purchasing Contract issued by the Division of Purchases. MPAs cover requirements for broad categories of items for a period of time on a State-wide basis - State and Quasi-Public Agencies order their requirements for these items individually, as the need arises. State law permits municipalities and school districts to "piggy-back" the state's pricing contracts, at the vendor's discretion. Please go to <http://www.purchasing.ri.gov/RIVIP/HowTo.asp> for additional information.

Potential vendors can review active MPAs at <http://www.purchasing.ri.gov/RIVIP/MPASearch.asp>. The MPA for this procurement will only be issued after the auction.

The official contract consists of the Master Price Agreement awarded to the winning supplier(s), the requirements and specifications contained in this Request for Proposal No. 7549904, which can be found at <http://www.purchasing.ri.gov/RIVIP/BidSearch.asp>, and the State's General Conditions of Purchase, which can be found at <http://www.purchasing.ri.gov/RIVIP/publicdocuments/ATTA.pdf>.

4.6 Procedures and Requirements

4.6.1 General Instructions

Potential vendors are required to follow all the instructions outlined in the RFP and provide all of the information required as part of Section 3, Evaluation Process. It is important that complete documentation is provided, that all exhibits and attachments are clearly marked and identified and that the proposal is well organized. The potential vendor must download and submit the

four (4) page RIVIP Bidder Certification Cover Form with their technical proposal (See RFP Section 5.1 for additional information).

4.6.2 Delivery of Proposals

An original plus five (5) copies of the Technical Proposal with two (2) electronic copies must be received prior to the submission deadline or hand-delivered in a sealed package marked "RFP # 7549904: Electricity Supply" to:

RI Department of Administration
Division of Purchases, 2nd Floor
One Capitol Hill
Providence, RI 02908-5855
Attn: Thomas Bovis

NOTE: Proposals received after the above-reference due date and time will not be considered. Proposals misdirected to other State locations or those not presented to Division of Purchases by the scheduled due date and time will be determined to be late and will not be considered. Proposals faxed, or e-mailed, to the Division of Purchases will not be considered. The official time clock is in the reception area of the Division of Purchases.

Please refer to Section 4.6.9 Contents of Proposal for information regarding the contents of the proposal. Please note that the response must include the following, amongst other requirements:

1. A completed and signed RIVIP Bidder Certification Cover Form (see RFP Section 5.1 for additional information).
2. A completed and signed Form W-9 downloaded from the Rhode Island Division of Purchases' Internet home page at www.purchasing.ri.gov.

4.6.3 Communications

Potential vendors are advised that once the RFP has been issued, there shall be no contact with any governmental employees, except for the Official Contact, regarding issues and questions pertaining to this RFP. Instructions for participating in this bidding process, and information regarding this project, will be provided only through this RFP and written addenda. Please note the time and date of the Vendor Call-in Teleconference provided in Section 2.

4.6.4 Proposal Costs

All costs associated with developing or submitting a proposal in response to this RFP, or providing oral or written clarifications of its contents shall be borne by the potential vendors. The State assumes no responsibility for these costs.

4.6.5 Public Records

Potential vendors are advised that all non-confidential materials submitted to the State for consideration, in response to this RFP, will be considered 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 is made.

4.6.6 Confidentiality

Potential vendors are advised that all information provided in the Technical Response will be held as confidential to the extent permitted by State law. Please refer to the State's General Conditions of Purchase for additional information. Financial or other highly confidential information should be clearly marked with a disclaimer and placed in a separately sealed envelope.

4.6.7 Communications Process

All inquiries regarding this solicitation must follow the procedures described in RFP Section 1.0, #17. No interpretations, revisions, or other communications regarding this RFP are valid unless received in writing and signed by an authorized representative of the State.

4.6.8 Proposal Clarification

The State at their sole discretion, may request additional information to verify the information contained in the proposal, or seek clarification of any item in the proposal.

4.6.9 Contents of Proposal

The following are mandatory submittals for this RFP. Failure to provide the requested information may be cause for the bid to be deemed non-responsive and may result in disqualification. The RFP Checklist (Exhibit 3) must be included at the beginning of the Technical Response.

1. RFP Checklist (see RFP Exhibit 3)
2. Bid Cover Sheet

A completed and signed RIVIP Bidder Certification Cover Form (See Section 5.1 for additional information).

3. Designated Account Manager/Project Team

Potential vendors must include the name, address, phone number, fax number and email address of the designated account manager. A valid email address is a mandatory submission requirement for this RFP. Because the State conducts business via the internet, Contractors must have the ability to communicate, send files, download files, etc. from the Internet.

Account Manager Name:

Account Manager Address:

Account Manager Phone Number:

Account Manager Fax Number:

Account Manager E-mail Address:

4. Technical Requirements

- a. Licensing: Potential vendors must show that it holds all necessary licenses including:
 - i. State Licenses. Potential vendors must be licensed by the Rhode Island Public Utilities Commission (RIPUC) to provide electric supply to retail electric customers and are Electronic Data Interchange (EDI) and otherwise suitably qualified by the LDU in which physical delivery will take place. A statement certifying this is sufficient evidence.
 - ii. Federal Licenses. Potential vendors must possess a Federal Energy Regulatory Commission (FERC) power marketing license. Provide the FERC Docket No., Date of Application, and Date of Approval as evidence.
 - iii. Transmission Agreements. Potential vendors must have firm transmission service agreements and/or network transmission agreements in the potential vendor's name with the ISO New England (ISO) for the interconnection points between the LDU system and ISO to deliver supply to the Delivery Points of this contract. A statement certifying this is sufficient evidence.
- b. Statement of Work. Potential vendors must demonstrate that they understand the work required to deliver electricity to the State's Delivery Points. To document this understanding, potential vendors must provide a concise statement of their understanding and ability to perform all the tasks necessary to meet the requirements of this solicitation.
- c. Experience: Potential vendors must demonstrate that it possesses experience providing electricity to retail customers in deregulated markets and is not merely acting as a broker. To document this experience, potential vendors must provide:
 - i. Experience Overview. A narrative describing experience in deregulated electricity markets, including the State.
 - ii. Years in business. Provide the number of years the firm has been providing electricity in the State.
 - iii. Volumes under Contract. Provide the value and magnitude of energy supply contracts transacted during the past two years in the State.
 - iv. Large-scale service. Provide two examples of large-scale electricity procurements that your firm has served in the past three years.
 - v. Block and Index. A narrative describing experience with index and block priced accounts.
- d. Financials: Potential vendors must provide the following financial information in a separately sealed envelope (failure to provide financial information may result in disqualification):
 - i. Financial Statement. Provide the firm's most recent audited financial statement and annual report or a link to the reports.
 - Financial statements and information falls under the exemption from disclosure provided in RIGL 38-2-2(4)(B). Therefore, as long as the financial statements are in a separately sealed envelope and clearly marked as confidential and DOA will not disclose this record.
 - ii. Credit Rating. If available, provide the firm's most recent Standard & Poor's and/or Moody's credit rating information available to include any applicable support documentation.
 - iii. DUNS Number. Provide the firm's DUNS number.

5. References

Potential vendors must also submit the contact person, company name, account size, and phone number of at least three (3) references, preferably from the public sector, one of which should be similar in scope to the State, for which your company has provided competitive electricity supply. The State reserves the right to verify a Potential vendor's experience and references.

6. Sample Bill

Potential vendors must indicate which billing option they will implement if awarded a contract. If a potential vendor intends on bidding on both the firm fixed price and block and index pricing groups, they should provide a sample bill for both pricing products. Otherwise, the sample bill provided should reflect the pricing product they intend on bidding on. The sample invoice must show the billing format and GRT should appear as a separate line item on the bill.

7. Other Required Forms and Information

The other required form for this solicitation is as follows:

- i. Form W-9, downloadable from the Division of Purchases' website at www.purchasing.ri.gov.
- ii. Evidence of Insurance as required herein
- iii. The equal Opportunity Compliance Form, attached hereto.
- iv. The Potential vendor's exceptions to contractual language. Please be aware that the State may reject any and all exceptions.
- v. The potential vendors shall submit a list of contract(s) that have been terminated for cause along with the entity name(s) that obtained the contract and the reasons why the contract was terminated (if applicable). The State reserves the right to seek additional information regarding a company's capabilities from any source it feels is competent to provide such information.

5 EVALUATION PROCESS

5.1 Description of the Evaluation Process

The objective of the RFP process is to select a qualified electricity supplier(s) that provides reliable electricity service for the State's and Cities and Towns requirements. It is the intent of the State to award a contract(s) to the approved vendor(s) on the basis of "best value" to the State.

- The State will commission a review team to evaluate and score all technical proposals that are complete and minimally responsive using the criteria described herein. The evaluation of any item may incorporate input from sources other than the vendor's response and supplementary materials submitted by the potential vendor. Those other sources could include assessments made by evaluators based on findings recorded from reference checks (including but not limited to those supplied by the potential vendor), prior experience with or knowledge of potential vendor's work, responses to follow-up questions

posed by the State and/or oral presentations by a potential vendor if requested by the review team. The State may elect to use any or all of these evaluation tools.

- The review team may call in any, all or some of the potential vendors in for an oral presentation at any point during the process at its own discretion.
- The State reserves the right to inspect and review any facility or operation as part of the evaluation.
- The review team will present written findings, including the results of all evaluations, to the State Purchasing Agent or designee, who will make the final selection for this solicitation. When a final decision has been made, a notice will be posted on the Rhode Island Division of Purchases web site.
- In order for participation in the pricing event(s), all technical proposals must meet a minimum technical evaluation score of 80 total points out of 100. Any technical proposals scoring less than 80 points will be dropped from further consideration.
- Notwithstanding anything above, the State, and its agents reserve the right to either accept or reject any, or all, bids, proposals, award on cost alone, cancel the solicitation and to waive any technicality in order to act in the best interest of the State and to conduct additional negotiations as necessary.
- Proposals found to be technically or substantially non-responsive, at any point in the evaluation process, will be rejected and not considered further. The State, at its sole option, may elect to require presentation(s) by potential vendors in consideration for the award. An award will not be made to a contractor who is neither qualified nor equipped to undertake and complete required work within a specified time.

5.2 Threshold/Evaluation Criteria

A potential vendor's technical proposal must contain certain information and meet certain minimum requirements (Threshold Criteria) as specified below for the potential vendor to be considered an approved vendor. The satisfaction of these Threshold Criteria is necessary to ensure that the selected vendor (Contractor) meets the electricity supply requirements. Supporting documentation is required where applicable as part of the proposal for each of the Threshold Criteria.

Selection of approved vendors to participate in the auction and if selected, supply electricity will be based on the following Threshold Criteria:

- Licensing and Certification – Pass/Fail
- Experience and Capacity – 40 Points
- Statement of Work Plan – 10 Points
- References – 30 Points
- Financial Condition – 20 Points

Potential vendor shall achieve a minimum of 80 points out of a 100 in order to qualify to participate in the pricing event. Any potential vendor receiving less than 80 points will not be considered further.

Those potential vendors that have been approved will be invited to participate in the pricing event(s). Please refer to Section 8.0 for additional information on the pricing products. potential vendors are not required to offer pricing for every account group offered; however pricing submitted for an account group must apply to all accounts contained in that group. Potential vendors must hold the prices submitted in the pricing event firm until the time and date specified in the Pricing Event Schedule.

The order of these factors does not generally denote relative importance. The State reserves the right to consider other relevant factors as it deems appropriate. The State may or may not seek additional information from potential vendors prior to making selection.

The RFP does not commit the State to select any potential vendor, award any work, pay any costs in preparing a response or procure or contract for any services. The State reserves the right to accept or reject any or all submittals received and cancel or modify the RFP in part or its entirety when it is in the State's best interest to do so.

6 SPECIFICATIONS

DELIVERY POINT

The Delivery Point for such electricity shall be that point on the electric system at which the LDU takes possession of the electricity for final delivery of the electricity to the meter(s) of the specific facilities identified in Exhibit 1 of this contract. The Delivery Point shall be where the facility takes title to the electricity.

NOMINATING AND BALANCING RESPONSIBILITIES

It is the Contractor's responsibility to conduct all required nominations on behalf of the facilities specified herein. The Contractor shall be fully familiar with the imbalance, transmission grid loss and line loss policies of both the LDU and the interstate/intrastate transmission companies.

CREDIT FOR DEFAULT SUPPLY SERVICE

If at any time (unless under a condition of Force Majeure) an account covered by this contract is forced to accept default supply service from the LDU serving in its capacity as the utility supplier of last resort solely as a result of action/inaction by the Contractor, the Contractor shall be responsible for payment of the additional supply costs, if any, incurred.

RISK OF LOSS

Risk of loss of electricity supplied under this contract shall remain with the Contractor prior to the Delivery Point and shall pass to the State at and after the Delivery Point specified for each facility.

PAYMENT AND BILLING

For the purposes of this contract, the State prefers to pay the Contractor through monthly utility bills rendered by the LDU. The State, however, is willing to pay the Contractor directly in accordance with paragraph (b) below. The Contractor in its Technical Response (see RFP Section 5.6.9) must select which billing option it is offering.

- (a) Single Bill Option Through LDU: For the purposes of this contract, the State shall pay the Contractor through monthly utility bills rendered by the LDU for each account included in this contract in accordance with the LDU's billing procedures which are fully regulated by the appropriate state public utility commission (Commission). This bill shall encompass ALL applicable charges and credits for the delivered electricity (i.e. generation, transmission, distribution, and adjustments). Payment shall be in accordance with the State Of Rhode Island General Conditions of Purchase, which can be found at <http://www.purchasing.ri.gov/RIVIP/publicdocuments/ATTA.pdf>.
- (b) Dual Billing Option: The State shall pay the Contractor through monthly bills rendered by the Contractor for either: (i) each account included in this contract; or (ii) via a summary bill. If the State opts for a summary bill by participant, the State will provide the Contractor with sufficient information to prepare the summary bills. The Contractor shall use the LDU's meters, meter readings, and billing cycles for the computation of bills. The Contractor must establish its own account number for the State account and provide the corresponding LDU account number on each monthly bill. The Contractor's bill shall encompass ALL applicable charges for the electricity delivered under this contract (i.e. generation, transmission, and ancillary services, etc.) delivered to the Delivery Point. Payment terms are governed by the State Of Rhode Island General Conditions of Purchase, which can be found at <http://www.purchasing.ri.gov/RIVIP/publicdocuments/ATTA.pdf>. Prior to the initiation of service under this contract, the State will provide the selected vendor with all necessary billing information required for the processing of bills.

Regardless of the billing option selected, it shall be the Contractor's responsibility to understand the specific details regarding the LDU's requirements for billing. The Contractor shall ensure that the data that is normally provided to full service customers appears on the bill. Regardless of the billing option selected, such information shall include current billing period usage (kWh), current billing period capacity and/or Daily RMR charges if applicable, current billing period charges, previous billing period balance, and previous billing period payment. It shall also be the Contractor's responsibility to ensure that proper reimbursement for electricity delivered to the Delivery Point is obtained from the LDU in accordance with applicable procedures of the appropriate regulatory bodies if the single bill option in paragraph (a) above is selected.

Once the first billing period has taken place and bills have been received by the State, Contractors will not be allowed to change the billing option without prior approval from GSA.

AUTHORIZED USERS

This contract is for the use of all Executive and Judicial Branches of Rhode Island, along with Resource Recovery; and as authorized by law or regulation, cities and towns and other state entities who may be added on at a later time.

ADDING FACILITIES TO THIS CONTRACT

For a variety of reasons, it is possible that certain authorized facilities eligible to compete their electric requirements but not included in Exhibit 1 may request to satisfy their competitive electric requirements by use of this contract. In that event, the State shall provide the Contractor with the facility's electric requirement and the two parties shall mutually agree as to whether to extend the full terms and conditions of this contract to such facility. Adding a facility(ies) shall be accomplished by the bilateral modification of this contract.

EXTENSION PROVISIONS

The base term will be determined by the State's acceptance of the pricing terms for either 10, 22, or 34 months. In addition to the base term, the State reserves the right to extend with the selected vendor for twelve (12) month incremental extensions for not to exceed a total term of five (5) years, unless otherwise authorized by the Chief Purchasing Officer, and in accordance with the existing contract terms and conditions with pricing terms to be negotiated by the parties.

RENEWABLE POWER FOR FACILITIES IN THIS CONTRACT

The power content for all Pricing Groups shall contain delivered renewable power or RECs equivalent to the percentages specified in Exhibit 2 of the total usage as specified in Exhibit 1 of the solicitation. The renewable power/REC content requirements are in addition to any renewable power required to comply with the State's renewable portfolio standard (RPS) during the term of any resultant contract(s). There are no geographic restrictions related to the RECs provided to meet this requirement.

For the purposes of this contract, renewable power shall have the definition as specified in Title 39, Public Utilities and Carriers, Chapter 39-26 – Renewable Energy Standard, Section 39-26-5 (<http://webserver.rilin.state.ri.us/Statutes/TITLE39/39-26/39-26-5.HTM>). As per the statute, renewable energy resources are defined as

- Direct solar radiation;
- The wind;
- Movement or the latent heat of the ocean;
- The heat of the earth;
- Small hydro facilities;
- Biomass facilities using eligible biomass fuels and maintaining compliance with current air permits; eligible biomass fuels may be co-fired with fossil fuels, provided that only the renewable energy fraction of production from multi-fuel facilities shall be considered eligible;
- Fuel cells using the renewable resources referenced above in this section; and

- Waste-to-energy combustion of any sort or manner shall in no instance be considered eligible except for fuels identified in § 39-26-2(6).

The following are examples of third party verification that the State requires: Environmental Resources Trust; Green-e; Independent Auditors Report; TerraChoice; and State/Regional Verification Methods Approved by a State Governmental Entity/Public Utilities Commission/Regional Power Pool (i.e. Texas REC system administered by ERCOT, the PJM Generation Attribute Tracking System of the PJM Environmental Information Services, Inc., or the New England Power Pool (NEPOOL) Generation Information System (GIS).

LOAD CHANGES DURING THE TERM OF THE CONTRACT – FIXED PRICE PRODUCTS

The below language applies only to accounts awarded under a firm-fixed price. As indicated in Section 4.0, this contract is for the full requirements of each account at the Delivery Point. The full requirements are expressed on Exhibit 1 of the solicitation. The State does not estimate that its aggregate load will change in a significant manner throughout the term of this contract unless noted on Exhibit 1. The State considers a monthly change in the aggregate kWh consumption in excess of twenty-five percent (25%) to be significant. The historical volumes are given in Exhibit 1 and these volumes will be used in determining monthly changes. In the event of a significant change in contract load, the State agrees, if requested by the Contractor, to negotiate in good faith to equitably adjust contract pricing so that the Contractor is made whole for any incremental costs associated with such load change beyond the twenty-five percent (25%) measurement threshold. Any proposed adjustments to contract pricing must compare the contract price with the market price at the time of usage deviation to arrive at an adjustment to contract pricing. The State will notify the Contractor of any significant anticipated load changes as soon as it becomes aware of such anticipated changes.

SPECIAL CONTRACT TERMINATION - LIQUIDATION OF CONTRACT POSITION

At any time following contract execution or during the term of this contract, the State may terminate this contract. The State will pay any penalties imposed by the LDU or other appropriate authority (including, without limitation, power pool or power exchange, independent system operator, regional transmission organizations) associated with such termination. Upon termination, the Contractor and the State will have no further obligation to each other with respect to the terminated contract except as described herein. If termination applies to a contract that is currently enrolled by the Contractor as the supplier of record with the LDU, then the State must provide at least sixty (60) days prior notice of termination to the Contractor. Upon termination of an enrolled account, Contractor will return such account to LDU service on the next available meter read date as determined by the LDU, and the party's respective obligations under this contract will cease on that meter read date. At the time the contract is terminated the Contractor will make a reasonable assessment of the difference between the Contract Price (Price A) and the market based price for the same supply at the time the contract is terminated (Price B). If Price A is greater than Price B the State shall pay the Contractor the difference between Price A and Price B. If Price A is less than Price B, the Contractor shall pay the State ninety (90%) percent of the difference between Price A and Price B. Such Contractor payment to the State shall be made in the form of checks made out to the LDU in care of the respective State accounts on a pro rata share basis within 30 days of contract termination. The Contractor's assessment of Price B shall include any incidental costs

such as administrative costs, brokerage fees, transmission or increased tax costs for termination, provided such incidental costs are reasonable and documented for the State.

TAXES

The State is subject to the State of Rhode Island's Gross Revenue Tax (GRT).

REGULATORY CHANGE

If any material regulatory change(s) is imposed after this Contract has been initiated, the Contractor may pass through to the State any charges or discounts that are a result of the regulatory change(s) so long as such charges/discounts are directly related to supplying electricity under this Contract. The Contractor is required to submit a written notice of such regulatory change accompanied by an explanation of how the change is directly related to supplying electricity to the State. This notice must be provided to the State sixty (60) days prior to the implementation of the regulatory change. Any increases or decreases in the contract price as a result of a regulatory change shall be accomplished by a bilateral contract modification.

Regulatory Change may be a new charge/discount or an increase/decrease in a current charge imposed by the relevant LDU.

CONTRACT ADMINISTRATION

After award, this contract shall be administered by the State of Rhode Island's Department of Administration (DOA). The Contracting Officer (CO) for the administration of this contract is:

Office of Energy Resources	Telephone: 401-574-9100
RI Department of Administration	Facsimile: 401-574-9125
Division of Purchases, 4 th Fl. Floor	Email: Energy.Resources@energy.ri.gov
One Capitol Hill	
Providence, RI 02908-5855	

PROCUREMENT FEE

The Contractor hereby agrees to assess a Procurement Fee on all accounts included in this contract which will be reflected in the bid price submitted during the pricing events. The fee shall be paid as follows:

- (a) World Energy Fee: World Energy's fee is \$0.0007 per kWh and will be paid by the Contractor(s) directly to World Energy in accordance with the Payment Instructions Document found at the Procurement Website referenced in RFP Section 4.2.

ENROLLMENT

The Contractor will be responsible for switching accounts from the applicable LDU (or third-party contractor) to the Contractor and fulfilling any obligations with the LDU to that end. If the Contractor fails to switch accounts within the terms specified in this contract, penalties may be assessed based on the difference between the applicable LDU Basic Service Rate and the rate that would have been charged by the Contractor (i.e. Basis plus Commodity) for the period of

time the account remained on LDU service. Additionally, the Contractor will be required to provide an enrollment report detailing the status of each account to be enrolled. The enrollment report is due by the time and date specified in the Procurement Schedule.

DAMAGES FOR MISSING CONTRACT START DATE

In the event that the start date for electric supply is missed due solely to the fault of the Contractor and an account(s) is required to remain with the LDU at regulated rates, then the Contractor shall reimburse such account the difference between the contract rate and the billed regulated rates in the event that the regulated rates paid are greater than the contract rates. Affected accounts shall be reimbursed via check made out to the LDU on behalf of the affected account(s) or via credits on future bills.

FORCE MAJEURE

The Contractor shall be responsible for delivery of electricity to the Delivery Points specified under the terms of the contract unless a condition of Force Majeure is in effect. As used herein, "Force Majeure" means any cause beyond the reasonable control of, and without the fault or negligence of, the party claiming Force Majeure. It shall include, without limitation, sabotage, strikes, acts of God, war, riot, civil disturbance, drought, earthquake, flood, explosion, fire, lightning, landslide, delays of common carriers (for example, any third party transmission provider or LDU), and acts of the State in either its sovereign or contractual capacity.

In no event shall the economic hardship of either party constitute a Force Majeure condition. Likewise, the inability of the Contractor to obtain transmission or generation unless such inability is due to a Force Majeure, or the event of higher actual costs than contracted costs to the Contractor shall not constitute a Force Majeure condition.

A party claiming Force Majeure shall promptly notify the other party by telephone and confirm within a reasonable period of time by a written notice describing in reasonable detail the nature, and estimated duration, of such Force Majeure. The Force Majeure will, so far as possible, be remedied with all reasonable dispatch. The party claiming Force Majeure shall promptly give written notice to the other party of the cessation of such condition. If the duration of the Force Majeure event exceeds twenty (20) days, the party not claiming Force Majeure may terminate the affected portions of this Agreement with ten (10) days written notice to the other party.

DEFAULT AND CANCELLATION

Default and cancellation language is contained in the State Of Rhode Island General Conditions of Purchase, which can be found at <http://www.purchasing.ri.gov/RIVIP/publicdocuments/ATTA.pdf>.

REPORTING REQUIREMENTS

The Contractor is required to provide the following reports:

- (a) Monthly Electronic Summary Report: The Contractor shall provide the State and World Energy with a monthly, digital electricity consumption summary containing the following information by account number: service start date, service end date, total consumption,

and total charges. The monthly digital summary must adhere to the "World Energy Payment Instructions" documents posted at the Procurement Website. The summary will be in Microsoft Excel spreadsheet template and accompany or precede payment of monthly fees.

- (b) Enrollment Report: The Contractor shall provide the State and World Energy with an enrollment report detailing the status of each account to be enrolled. The enrollment report is due by the time and date specified in the Procurement Schedule.
- (c) Monthly Usage and Cost Summary: The selected bidder shall provide DOA with online access to electronic reporting that provides usage and cost information for each awarded account.

7 PRICING

The State is requesting pricing for a term of ten (10), twenty-two (22) and thirty-four (34) full monthly billing cycles for two (2) different pricing groups. Contractors shall begin supply with the first meter read on or after December 1, 2015 meter read date as noted in Exhibit 1. Descriptions of each pricing product are found below. Potential vendors do not have to offer pricing for more than one pricing group.

Pricing Groups. The State has divided its requirements into two (2) pricing groups that reflect the size and type of accounts. The rate offered for each pricing group must be the same for every account in the pricing group. The renewable power offered as part of the pricing groups must comply with the provisions described in Section 6 Specifications. The percent of renewable power to be included in a pricing group is defined in Exhibit 2. See Exhibit 1 for precise quantities and account information.

Pricing Group 1: Block and Index Pricing, N% Renewable Power – The State requires a firm fixed Supply Service Fee (referred to as the "Index adder bid amount" on the World Energy platform) priced per kWh for all usage in all months and hours. The State requires block pricing equivalent to 85% of the anticipated on peak usage in the months of January, February, July, August and December. All other charges will be in accordance with the Block and Index Pricing outlined below.

Pricing Group 2: Flat Firm-Fixed Pricing, N% Renewable Power –The State requires a firm fixed price per kWh to include all applicable taxes, fees, Renewable Portfolio Standard (RPS) including solar carve out where applicable, FERC Order 745 coordination costs, capacity, energy and ancillary services for the firm supply of electricity necessary for the accounts included in this solicitation.

PRICING GROUP 1 - BLOCK AND INDEX PRICING

Potential vendors shall submit pricing in accordance with the pricing format described below. The Supply Service Fee must remain fixed for the duration of the contract. The Block and Index Pricing Format is as follows:

1. Energy Cost – Hourly energy consumption, as determined by the LDU, increased for line losses to the appropriate LDU Zone, as set forth in the LDU Tariff, multiplied by the day-

ahead ISO hourly Locational Marginal Price (LMP) at the appropriate New England ISO Zone. The day-ahead LMP will be used for hourly load settling in the day-ahead market. The Contractor agrees to schedule load, not to exceed 100% of State's estimated load forecast. The default Energy Cost Pricing for this contract will be day-ahead ISO hourly LMP unless otherwise changed by the State or its representative.

2. Capacity (ICAP) – The Contractor will provide ICAP in accordance with the definition for ICAP provided below.
3. Ancillary Service Cost – All charges and credits that are not ICAP, RPS and Energy as defined herein should be included in Ancillary Service Costs under this contract including FERC Order 745 coordination costs.
4. Renewable Energy Portfolio Standards Costs (RPS) -- The costs associated with complying with the applicable state RPS including solar carve out costs where applicable. The costs associated with the N% renewable power content requirement should also be included here.
5. Procurement Fee - The Procurement Fee is \$0.0007 per kWh and will be paid by the successful contractor(s) directly to World Energy per the terms specified in Section 7.0, Administrative Fee.
6. Supply Service Fee for Accounts included in Block and Index Pricing Group – A \$ per kWh fee for all physical electric power delivered to the account pursuant to this Contract. The Supply Service Fee shall be the sum of Line Items 3, 4 and 5 and the supplier's adder/fee (i.e. Ancillaries, RPS, World Energy fee and supplier adder/fee to 5 decimal places). Items 1-2 above for Energy Cost and Capacity should not be included in the Supply Service Fee.

Total Indexed Electric Cost: The total amount charged by the Contractor shall be the sum of items 1 – 6 plus any block purchases. Charges for block purchases, if any, will be allocated to specific accounts prior to calculating indexed energy costs. The Contractor shall calculate and allocate the energy consumption amounts on an individual account basis for energy-based charges (items 1 and 5 above). The Contractor shall calculate Capacity charges (item 2) on an individual account basis. The Contractor shall provide individual account billing (one invoice for each account unless otherwise indicated) for each account. For those accounts that do not have hourly metering installed, the Contractor shall use the aggregate average of item 1 for the monthly \$/kWh energy charge applicable to non-hourly metered accounts.

Indices: In the event that the ISO LMP or any other index upon which any price is determined is discontinued or substantially altered in its application, the parties shall agree upon replacement index.

The above prices exclude all LDU distribution charges, sales tax on the LDU charges and LDU non-by-passable charges, which shall be the responsibility of the State.

Delivery Point: The point of interconnection between the ISO transmission system and the LDU distribution is the appropriate ISO Zone for the Block and Index Account Group accounts unless otherwise noted on Exhibit 1.

Additional Block Purchases: At any point during the term of this contract, the State may request the Contractor to make additional block energy purchases for delivery to the Block and Index Pricing Group that will be allocated to the various accounts in accordance with State block allocations. The block energy purchase is to be in \$/kWH and may be for on-peak and/or off-peak energy. At the time of the request, the State and Contractor shall define the block purchase parameters. The block purchase(s) will be allocated to specific accounts based on instructions provided by the State. Such block purchase(s) shall be priced based on prevailing market conditions and subject to no additional mark-up except the Supply Service Fee. The Contractor will obtain pricing quotes from at least three (3) wholesale counterparties for each separate block purchase and will provide such quotes to State upon request to ensure that adequate competition is being obtained. The State agrees to keep quote information confidential. The State has no obligation to accept such offers and reserves the right to direct the Contractor to transact with any creditworthy counterparty with which the Contractor has an established trading relationship and sufficient available credit to execute the transaction on behalf of the State.

PRICING DEFINITIONS:

Summer - is defined as the billing months of June through September.

Winter - is defined as the billing months of October through May.

On-Peak – is defined as the hours of 7:00 a.m. to 10:59 p.m. weekdays excluding weekends and NERC holidays.

Off-Peak - is defined as all hours that are not On-Peak hours as defined above.

Capacity (ICAP) Cost - is defined as the required amount of ICAP for the State as determined by the LDU applying the then current ISO guidelines. ICAP costs are the product of the Contractor's capacity obligation associated with electric energy delivery to each of the State's accounts as determined by the LDU, multiplied by the actual ISO ICAP charges stated in \$/KW/month adjusted for the capacity reserve margin and by the distribution loss factor for the State's accounts as outlined below.

ICAP tag times ICAP Charge times (1 + system reserve margin) = Capacity Costs for one month

The Contractor will notify the State when ICAP rates and volumetric requirements change to assist the State in managing its accounts.

Notes and Instructions to Potential Vendors Regarding Pricing

1. The quantities and figures shown in Exhibit 1 are estimated load requirements at the facility's meter and are based upon the best information available to GSA. The load information submitted is intended as an estimate of the magnitude and nature of the loads during a specified time period. Such estimates are being furnished for information purposes, and for computation of prices. Since it is impossible to determine the precise quantities that will be needed during the contract term, the Contractor whose offer is accepted shall be obligated to furnish electricity sufficient to meet each facility's full electric requirements during the term of this contract.

2. For Pricing Group 2 (firm fixed price), all electric supply costs (see tax notes below) to the facility up to the Local Distribution Utility's system for usage at the LDU meter(s) are to be included in the energy (i.e. kWh) prices submitted above including capacity.
3. Capacity (ICAP) prices and volumes shall adjust every June 1 and will be treated as a pass through (i.e. cost reimbursement) item with the price reflecting the current ISO capacity auction price for the respective ISO zone and ISO year based on the marketing clearing prices for the applicable ISO NE forward capacity market auction (i.e. FCA 4, FCA 5, FCA 6 and FCA 7. The State, at its option, may fix capacity prices for some or all of the contract term via bilateral contract modification.
4. The State and the accounts included in this solicitation are exempt from state and local sales taxes. The State will cooperate with the Contractor to complete any necessary tax exempt forms.
5. For Pricing Group 2 (firm fixed price), the pricing submitted shall be for metered usage at the LDU's meter(s) for each account. Pricing shall include distribution line losses.
6. The potential vendor agrees to hold the prices in its price proposal firm from the time prices are submitted on the day of the pricing event (see RFP Section 2.0, Procurement Schedule) until 3:00 PM that day.
7. The prices submitted shall include any renewable power required to comply with the renewable portfolio standards including solar carve out where applicable during the contract(s).
8. For Pricing Group 2 (firm fixed price), potential vendors are instructed to include known RMR costs in your bid price. Any changes in RMR will be addressed as a regulatory change in accordance with Section 7.0, Change of Regulation in the contract. For the Block and Index pricing, RMR would be included in Ancillary Costs.
9. For Pricing Group 1 (block and index), the Block price and the Supply Service Fee will be submitted as two separate prices in the auction. Potential vendors will submit a fixed price for the Block delineated by the State in its Exhibit. Potential vendors will also submit a Supply Service Fee that will apply to all kWhs delivered for all Block and Index accounts.

BLOCK AND INDEX PRICE CALCULATION AND EVALUATION

For Pricing Group 1 (block and index), bid prices will be evaluated in the following manner. The Block Price and Supply Service Fee submitted will be used to calculate a resulting Average Submitted Price for the pricing group load. This Average Submitted Price for the pricing group will be the price that bidders see as the Low Bid designated on the platform in addition to the potential vendor's own bid price. Therefore, it is important that potential vendors fully understand how the Average Submitted Price will be calculated. The calculation of the Average Submitted Price will take place as follows:

Formula

*Average Submitted Price (Low Bid displayed) = ((Fixed Block Price kWh * Fixed Block Price Bid) + (Index kWh * Index Wholesale Price Estimate) + (Total kWh (adjusted for line loss) * Supply Service Fee Bid))/Total kWh (adjusted for line loss)*

Formula Inputs

1. Fixed Block Price kWh = the annualized kWh purchased for the block at the load zone (before losses)
2. Index kWh = the annualized kWh purchased for remaining load at the load zone (before losses)
3. Line Loss Adjustment = the loss factor between the LDU and the customer meter used in the calculation
4. Total kWh = (Fixed Price kWh + Indexed Price kWh) * (1-Line Loss Adjustment)
5. Index Wholesale Price Estimate = a forward looking estimate of the price for the exposed load over the term of the contract
6. Fixed Block Price Bid = submitted bid
7. Supply Service Fee Bid = submitted bid

Items 1-5 will be provided to you prior to the auction on the Procurement Website listed previously. Items 6 and 7 are the bids submitted through the auction platform during the pricing events.

In addition, an excel spreadsheet with items 1-5 will be posted at the Procurement Website to assist you with the evaluation calculation.

EXHIBIT 1: ACCOUNTS AND USAGE

The accounts and usage will be released as a separate file.

EXHIBIT 2: PRICING EVENT SCHEDULE

The Pricing Event Schedule will be released as a separate file.

EXHIBIT 3: RFP CHECKLIST

Vendor Name: _____
Name of person completing RFP: _____
Telephone Number of person completing RFP: _____
E-mail address of person completing RFP: _____

Checklist:

- Part 1: Use RFQ Checklist
- Part 2: RIVIP Bidder Certification Cover Form (See Section 5.1 for additional information)
- Part 3: Designated Account Manager
- Part 4: Technical Requirements
 - Licensing
 - Statement of Work Narrative
 - Experience
 - Financials
- Part 5: References (At least 3 Must be Provided)
- Part 6: Sample Bill(s)
- Part 7: Other Required Forms and Information
 - State of Rhode Island W-9 form
 - Any exceptions to proposed language
 - Contracts terminated for cause