



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

**Solicitation Information  
January 22<sup>nd</sup>, 2020**

**ADDENDUM # 1**

**RFQ# 7599921**

**TITLE: Economic and Energy Market Analysis Supporting 100%  
Renewable Energy Pathways for Rhode Island**

**Submission Deadline is:**

**Monday February 3<sup>rd</sup>, 2020 at 10:30 am (EST)**

**Note to vendors:**

**Attached includes:**

- **Questions received with answers. No more questions will be answered.**

**Max Righter  
Senior Buyer**

*Interested parties should monitor this website, on a regular basis, for any additional information that may be posted*



## STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

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### Questions Received

#### Solicitation #7599921

#### Economic and Energy Market Analysis Supporting 100% Renewable Energy Pathways for Rhode Island

1. Section 7 of the RFP states that one completed and signed RIVIP Bidder Certification Cover Form must be provided. Should this document be submitted as a separate, standalone document, or bound with some other part of the submittal?

*Answer: Per the RFP document: "One completed and signed RIVIP Bidder Certification Cover Form (included in the original copy only) downloaded from the Division of Purchases website at [www.purchasing.ri.gov](http://www.purchasing.ri.gov). Do not include any copies in the Technical or Cost proposals."*

2. Similarly, Section 7 of the RFP states that one completed and signed Rhode Island W-9 must be provided. Should this document be submitted as a separate, standalone document, or bound with some other part of the submittal?

*Answer: Per the RFP document: "One completed and signed Rhode Island W-9 (included in the original copy only) downloaded from the Division of Purchases website at [/documents/Forms/Misc Forms/13 RI Version of IRS W-9 Form.docx](#). Do not include any copies in the Technical or Cost proposals."*

3. If my firm has a Certificate of Good Standing from the Rhode Island Secretary of State, should it be included in the proposal, and if so, where?

*Answer: A Certificate of Good Standing issued by the Rhode Island Secretary of State is not required for bid submission.*

4. The Background section states that OER seeks consulting services related to "realistic policy and programmatic pathways capable of meeting 100% of Rhode Island's electric demand with **renewable energy resources**" (emphasis added).

- a. For the purposes of the analysis, does OER only wish to consider "renewable energy resources" as enumerated in R.I.G.L. § 39-26-5 (2018), or does it also wish to consider other sources (or project scales, as the case may be) generated from renewable sources of energy (e.g., large hydro resources)?

*Answer: The analysis should focus on renewable energy resources as defined by Rhode Island General Laws. However, this would not preclude other jurisdictions from pursuing clean energy resources as defined by their respective laws, which would need to be accounted for in the underlying analysis of the regional energy system.*

- i. If the answer to 4.a is "yes", should the consultant take a "business-as-usual" case to mean a case that does not assume any future beneficial electrification? A case in which no new (and/or existing) Rhode Island-specific policies to encourage beneficial electrification are assumed? A case based on the ISO New England 2020 load forecast (which we understand will incorporate some treatment of beneficial electrification for the first time)? Or something else?

*Answer: The construction of base case and sensitivity assumptions will be developed jointly by the State Project Team and Consultant. However, as currently conceived, a business as usual case would assume a reasonable level of load growth resulting from beneficial electrification in Rhode Island and informed by ISO-NE and other load forecast data. One conceptual sensitivity*



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case, subject to State Project Team and Consultant discussion, could assume higher rates of load growth resulting from substantial penetration of EVs and heat pumps, as just one example.

- ii. If the answer to 4.a is “no”, please clarify what is meant by “business-as-usual”.

**Answer: See answer above.**

- b. Should the consultant also assume that the term “business-as-usual” also applies to (i) renewable energy supply policies and supply procurements under existing laws and regulations throughout the region, and (ii) renewable energy standard or similar requirements under existing laws and regulations throughout the region, as well as to beneficial electrification?

**Answer: Yes; the business as usual case should assume a justified level of beneficial electrification, completion of known procurements, and account for other on-going clean energy policies throughout the region. The consultant is expected to discuss the details of such assumptions with the State Project Team.**

- c. We further assume that establishing a Reference Case (in which no pathways to 100% renewable energy are undertaken by Rhode Island) is necessary in order to assess the differential impact of various pathways to 100% renewable energy. Does the State Project Team agree with this assumption?

**Answer: The development of the Reference Case will be discussed between the Consultant and State Project Team.**

5. The Scope of Work (p. 7 of 16) requires the consultant to undertake energy and economic modeling that yields “Both direct and indirect costs and benefits for each portfolio should be calculated to ensure that Rhode Island policymakers have sound insight into expected incremental wholesale and retail costs relative to each scenario developed.”

- a. While we note that the Scope of Work requires an assessment of “potential impacts on ratepayers”, is OER specifically requesting an analysis of costs and benefits/avoided costs more expansive in scope than just the ratepayer cost or “ratepayer impact measure” (RIM) perspective?

**Answer: OER will be seeking cost and benefit/avoided cost information on a customer- and society-level (e.g. statewide). Customer-level impacts will need to be developed for different customer types and/or rate classes, e.g. representative residential, commercial, and large industrial consumers.**

- i. If the answer to 5.a is “yes”, how does OER define costs and benefits, and what such methodologies should the consultant assume OER is requesting? For example, should bidders assume that the benefit/cost analysis requested should be in line with the categories of benefits and costs contained in Rhode Island Public Utilities Commission’s [Docket 4600 Benefit/Cost Framework](#)? Or some other methodology or methodologies?

**Answer: The specific types of costs and benefits will be determined by discussed between the State Project Team and the Consultant, and may consist of qualitative and quantitative measures. The PUC framework mentioned may include some of these measures and could help guide final methodology.**

- ii. How does OER define the difference between indirect and direct costs or benefits?

**Answer: The answer to this question may depend on the measure and will be determined by the Consultant and State Project Team. For one example, we encourage bidders to review the types**



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of analysis utilized in RI PUC Docket 4929, at: <http://www.ripuc.org/eventsactions/docket/4929page.html>. In this instance, to measure energy market impacts of a proposed long-term PPA, direct costs/benefits were determined using a mark-to-market comparison of contract prices (energy + RECs) with forecasted market prices with the project in service. Indirect and other benefits included the change in Rhode Island energy market prices (LMPs), societal impacts of CO<sub>2</sub> and NO<sub>x</sub> emission reductions, increase in project PPA market value from years with extreme winter fuel prices, and the impact of a reduction in gas supply cost to Rhode Island gas customers. Again, this is one example, but ultimate methodology will be discussed between the Parties.

6. The Scope of Work (p. 7 of 16) requests modeling to evaluate “Emissions impacts” that “include, at minimum, CO<sub>2</sub>, NO<sub>x</sub>, and SO<sub>2</sub>.” In addition, the Scope of Work also makes clear a desire for “Rhode Island-based metrics”, including “a cost-benefit analysis to the state economy”.
- a. Should the scope of the proposed analysis be limited to only those emissions impacts that occur within the borders of Rhode Island? Or should the analysis account for all reduced emissions at a regional level (e.g., by changes in power sector emissions) induced by the 100% renewable pathway in question? We presume the latter is appropriate but are seeking to confirm this presumption.

**Answer: OER would like to consider both measures.**

- b. In terms of the state-level macroeconomic analysis requested, please describe the desired scope of such metrics?

**Answer: State level economic analysis should consider direct, indirect and induced impacts including, but not limited to, projected employment impacts, tax revenue impacts, supply chain impacts, labor earnings, and other investment impacts. Potential metrics may be quantitative or qualitative, as appropriate.**

7. The Scope of Work (p. 7 of 16) also refers to the recently-inaugurated Heating Sector Transformation (HST) Initiative, which the Rhode Island Public Utilities Commission site notes began in December 2019, as well as the Transportation and Climate Initiative (TCI).

- a. Does the State Project Team plan to share detailed data and information regarding plans or results of analysis for either initiative with the consultant (to the extent it is not public)?

**Answer: Yes; OER expects that the 100% renewable consultant and the state’s HST consultant will collaborate on data sharing such that results from HST analysis help inform RI load growth estimates.**

- i. If yes, what might the nature of the data and information be?

**Answer: See above.**

- b. More generally, should the consultant assume that the State Project Team or other affected entities (e.g., the state’s electric utilities) plan to share data and analysis about any ongoing or under-development renewable energy, energy storage or beneficial electrification initiatives that would be beneficial in completing the Scope of Work?

**Answer: Yes, OER will support data sharing wherever possible, subject to appropriate confidentiality requirements/agreements. Regarding the state’s utilities, any data sharing efforts will need to be discussed with representative parties.**



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8. The Scope of Work (p. 8 of 16) requests that the consultant “(p)ropose one or more policy/programmatic pathways that will enable Rhode Island to meet 100% of its electric demand with renewables by a date TBD.”
- As the number of pathways to be analyzed will have a material impact on the cost of conducting the analysis, for budgeting purposes how many “pathways” does the State Project Team request for design, analysis and further consideration?  
**Answer: At this time, we believe a maximum of three portfolios may be sufficient. However, bidders are encouraged to include supplemental pricing information for additional model runs on an “as needed” basis.**
  - Given Gov. Raimondo’s January 17, 2020 executive order ([20-01](#)) establishing a goal of 100% by 2030, should the consultant only assume that single date horizon in its analysis? In other words, is it no longer simply a “date TBD”?  
**Answer: The goal is 2030.**
9. The Scope of Work (p. 8 of 16) requests that the consultant “(e)ngage local utilities and other key stakeholders during analytical and strategy development phases of the project”, including “at least one round of initial one-on-one phone conversations” which would be part of an “engagement strategy, implemented in coordination with OER”.
- Approximately how many stakeholders would the State Project Team anticipate that this effort would need to reach?  
**Answer: The number and exact stakeholders will be determined by the State Project Team and Consultant. We anticipate that periodic direct outreach will occur with state electric utilities and no more than 10 energy, economic, and environmental stakeholder groups. Public Workshops and presentations at EC4 meetings will also be scheduled throughout the project timeline; these events will be open to the public and create opportunities for additional, broader public dialogue.**
  - Given the “in coordination with OER” reference, is the State Project Team suggesting that it would undertake the process of identifying and contacting the target stakeholders? Or would this be an expected effort for the consultant?  
**Answer: OER will work to identify key stakeholders in coordination with the State Project Team and welcomes input by the selected consultant.**
  - Does the State Project Team anticipate that additional consultant deliverables (or revisions to existing deliverables, as described in the “General Tasks and Travel Requirements” section) will be required in response to said stakeholder engagement?  
**Answer: Yes; stakeholder feedback will help inform as the consultant and project team iterate on project deliverables throughout the project timeline.**
  - Please confirm that the “*minimum of three (3) internal project team webinars/meetings; and a minimum of four (4) in-person stakeholder meetings/presentations through 2020 and early 2021*” are the same meetings referred to in the “General Tasks and Travel Requirements” section of the RFP.  
**Answer: Yes.**



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10. In the “General Tasks and Travel Requirements” section, the Scope of Work (p. 8 of 16) refers to “a minimum of four” in-person stakeholder meetings regarding “project scope and results”.
- Does the term “stakeholders” refer to the general public? Market participants? Another group?  
**Answer: These stakeholder meetings are anticipated to be open to the public.**
  - For proposal budgeting purposes, may we assume four in-person stakeholder meetings, and specify an optional budget per additional meeting, if additional meetings are sought by the State Project Team?  
**Answer: Yes, OER would encourage bidders to offer supplemental pricing information for such purpose, to be utilized on an “as needed” basis.**
11. In the “General Tasks and Travel Requirements” section, the Scope of Work (p. 8 of 16) refers to “at least three (3) in-depth meetings/webinars for State Project Team members” that “may be in-person and held in Rhode Island”.
- For proposal budgeting purposes, may we assume three in-depth meetings/webinars for State Project Team members, and specify an optional budget per additional meeting/webinar, if additional meetings/webinars are sought by the State Project Team?  
**Answer: Yes. Please see answer to 10.b.**
12. In the “General Tasks and Travel Requirements” section, the Scope of Work (p. 9 of 16) requests that the consultant “(p)roduce a Final Executive Report (~5 pages), a Final Report and a PowerPoint Presentation in October 2020”.
- To confirm, for budgeting purposes is the Final Report to be provided in a long prose format (e.g., Word document – which we assume) or may it be provided in a detailed slide deck format (e.g., PowerPoint document)?  
**Answer: The Final Report should be in prose format supplemented with charts, graphs, etc. The requirements also require a Final PowerPoint Presentation more fully detailing analytical results.**
  - Please specify, if possible, a range of pages for the expected length of the Final Report, for budgeting purposes.  
**Answer: No more than 50 pages.**
  - Would the PowerPoint presentation be used by the consultant to deliver to stakeholders at the public meetings be the one and the same as also described in the “General Tasks and Travel Requirements” section? Or would the presentation for the stakeholder engagement process cover different topics?  
**Answer: They are distinct work products. However, while the materials conveyed through stakeholder engagement PPTs will adjust as the project develops over time, those materials may prove to be useful or otherwise re-purposed for the Final PowerPoint.**
  - Does the State Project Team have a target or not-to-exceed budget amount that the proposing consultant should be aware of?  
**Answer: Budgetary information will not be made available.**
13. Should the analysis assume that other states in the region also adopt accelerated renewable energy or decarbonized grid targets at the same pace as Rhode Island? (e.g. if 100% RE by 2040 for Rhode Island then also



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100% RE for ISO NE) Or should the pace of renewable energy targets and decarbonized grid development in the rest of the region be based on current policies and targets?

**Answer: Targets for other N.E. states should be informed by their respective policies.**

14. Does the OER anticipate clarifying specific time frames for the accelerated 100% goal or is examining various time horizons for 100% pathways intended to be part of the analysis?

**Answer: Please see the Governor's recent Executive Order 20-01, <http://www.governor.ri.gov/documents/orders/Executive-Order-20-01.pdf>.**

15. Is there an estimated budget range for the project?

**Answer: Budgetary information will not be made available.**

16. The RFP states electronic copies of the technical and cost proposals are to be submitted via CD-R. Would we be permitted to utilize USB/flash drives instead of CD-R?

**Answer: The State may not accept USB drives.**

17. Is the intent of the modeling exercise to investigate **discrete scenarios** of resource mixes, or identify the **optimal resource mix**?

**Answer: Both pathways may be utilized based upon discussions between the state project team and consultant.**

18. Has OER determined what are minimum acceptable requirements of the "detailed electric sector and economic scenario models"? If so, please discuss.

**Answer: Previous responses provide detail on this question.**

19. Recognizing that the modeling approach will affect the overall project budget, does OER have a maximum project budget?

**Answer: Budgetary information will not be made available.**

20. Is the goal for Rhode Island to meet 100% of electricity demand with renewable energy resource in reference to meeting **annual net energy consumption** from renewable energy resources or meeting **hourly electricity demand** from renewable resources?

**Answer: Conceptually, OER intends for this work to meet annual consumption. However, impacts on hourly demand – particularly during peak periods – will be a subject of initial consideration/discussion between the state project team and consultant.**

21. The RFP asks us to "Propose one or more policy/programmatic pathways that will enable Rhode Island to meet 100% of its electric demand with renewables by a date TBD." Will the OER provide this "TBD" date, or should we propose pathways that will cover a range of target dates? Given the governor's recent announcement of 100% renewable by 2030, should we assume this is the relevant date?

**Answer: Yes; Please see the Governor's recent Executive Order 20-01, <http://www.governor.ri.gov/documents/orders/Executive-Order-20-01.pdf>.**

22. Can OER provide further detail on how 100% renewable is to be defined? Information to some of the following questions would be appreciated: What technologies are to be included? Would procurement of RECs sufficient to



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meet 100% of Rhode Island demand be sufficient to meet the target? Does the renewable energy have to be deliverable (or even delivered)? Is hourly/daily or some other matching required?

**Answer: At this time, renewables are to be defined by RI General Laws. The answers to other questions will be subject to discussion by the state project team and consultant.**

23. Can OER provide, either as a specific amount or as a range, the maximum budget for this engagement?

**Answer: Budgetary information will not be made available.**

24. What tasks does OER expect bidders to undertake following submission of the report in October 2020? Are these tasks to be budgeted under the “firm and fixed” pricing submittal or would additional tasks be performed on a time and materials basis?

**Answer: It is likely that at least one of the stakeholder meetings identified in the General Tasks section will occur after October 2020. Bidders are encouraged to offer supplemental pricing options for webinars and/or meetings beyond those specified in the RFP requirements.**

25. What tasks does OER expect bidders to undertake in the two six-month extensions to the contract following the end of the initial contract period in March 2021? Will the budget for these tasks be included in the “firm and fixed” pricing submittal included with our proposal, or can we expect to charge OER for a time and materials basis for the work done under these tasks?

**Answer: Those tasks may be defined on a forward-looking time and materials basis. As one example, there could be specific policy recommendations detailed in the October 2020 report that warrant supplemental consultant support heading into 2021; that support could come in the form of a conference call, in-person presentation to policymakers, and/or a written memorandum.**