



Solicitation Information
3 April 08

RFP # 7067847

TITLE: Rhode Island Energy Independence 1 Project

Submission Deadline: 16 May 08 @ 2:00 PM (Eastern Daylight Time)

Questions, in a MicroSoft Word format, concerning this solicitation must be received by the Division of Purchases at questions@purchasing.state.ri.us no later than **2 May, 2008 at 12:00 Noon** (Eastern Time). Please reference the LOI # on all correspondence. Questions received, if any, will be answered and posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information.

SURETY REQUIRED: No

BOND REQUIRED: No

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

**Vendors must register on-line at the State Purchasing Website at
www.purchasing.state.ri.us.**

NOTE TO VENDORS:

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

THIS PAGE IS NOT A BIDDER CERTIFICATION FORM

SECTION 1 – INSTRUCTIONS AND NOTIFICATIONS TO PROPOSERS:

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

This solicitation, and subsequent award, is governed by the State's General Conditions of Purchase, which is available at www.purchasing.ri.gov

To access the State's General Conditions of Purchase, enter our website, click on RIVIP, then click on General Information and then click on Rules and Regulations. Once the Rules and Regulations are displayed, scroll to the bottom of the page and double click on Appendix A, which contains the State's General Conditions of Purchase.

The scope of work is described herein.

Potential respondents are advised to review all sections of this solicitation carefully and to follow instructions completely, as failure to make a complete submission as described elsewhere herein may result in rejection of the proposal.

Alternative approaches and/or methodologies to accomplish the desired or intended results of this procurement are encouraged. However, proposals which depart from or materially alter the terms, requirements, or scope of work defined by this Request will be rejected as being non-responsive.

All costs associated with developing or submitting a proposal in response to this Request, or to provide oral or written clarification of its content shall be borne by the respondent. The State assumes no responsibility for these costs.

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

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

It is intended that an award pursuant to this request will be made to a prime contractor, who will assume responsibility for all aspects of the work. Joint venture and cooperative proposals will be considered, and subcontractors are permitted, provided that their use is clearly indicated in the respondent's proposal, and that the joint venture partners and subcontractor(s) proposed to be used are identified in the proposal.

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

Evaluation of proposals will include consideration of competence and general experience to provide the required services; experience and qualifications of personnel; availability of personnel, equipment and facilities to perform expeditiously; past performance with respect to control of costs, quality of work, ability to meet deadlines; the submittal of a formal work plan; evidence of fiscal capacity and the proposed energy price (subject to further negotiation).

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

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

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

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

The Board of Design Professionals can be contacted as follows:

Board for Design Professionals
One Capitol Hill (3rd Floor)
Providence, RI 02908-5860
Tel: 401-222-2565
Fax: 401-222-5744
Website: www.bdp.state.ri.us

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

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

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

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

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

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

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

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

SECTION 2 – PROJECT DESCRIPTION

Introduction

The State of Rhode Island recognizes the benefits of renewable energy, and has goals to reduce air emissions from the electric generation sector, as well as to benefit from long-term electrical energy price stability and to exploit the economic development potential inherent in renewable energy projects.

Rhode Island has abundant wind energy resources

The State therefore seeks proposals from qualified firms or teams of firms to design, build, finance and operate a wind generation facility in the waters off its coast to supply not less than fifteen percent (15%) of the energy consumed by Rhode Island's electricity customers. Proposals must address each of the State's goals.

Proposed Contract Term: 5 years with Option to Renew with Option to renew for 5 additional years.

Proposal Basis

For the purposes of responses to this solicitation, the electrical energy output for the facility shall be not less than 1.3 million megawatt-hours per year.

The preferred site for the wind generation facility would appear to be areas J and K, depicted as Figure 3-20 in a report entitled "RIWINDS, Phase I: Wind Energy Siting Study" (ATM Inc. *et al*), (the Study) but additional information gathered during development of both a Special Area Management Plan and site specific reviews may allow consideration of other sites. An electronic copy of this study can be downloaded from the Rhode Island Office of Energy Resources web site at:

<http://www.ri.gov/development/ENERGY/documents/independence1/RIWINDSReport.pdf>

Wind data GIS mapping derived for the preparation of the Study is available for download from the Rhode Island GIS website at:

http://www.edc.uri.edu/RIGIS/spfdata/utilitiesCommunication/RIWind_80m.zip

Respondents are encouraged to consider the data included in the Study.

The State will use its best efforts to expedite the permitting process. The project will be given priority among state regulatory agencies, and the State will support the project with respect to federal and municipal regulatory requirements. The State has initiated a Special Area Management Plan process to establish final areas where offshore energy projects are permissible. The successful developer must be willing to compensate the State for the reasonable cost of work performed during this process, and will be allowed the use of information developed as part of that process to further ongoing development activities.

The Town of New Shoreham, located on Block Island, takes electrical service from the Block Island Power Company (BIPCO). The State has conducted numerous residents meetings with the Town. Acceptance is extremely high. Respondents should strongly consider locating a substation on the Island. The State has had initial discussions with BIPCO, who have indicated that they would make land available on their premises for the location thereof. It is important that New Shoreham be allowed to benefit from a cable connection to the mainland, and it is expected that the transmission line from the facility will serve that purpose, allowing two-way flow of electrical energy, with an interconnect to the BIPCO system.

The State conducted a stakeholder process to identify concerns about the various sites identified in the Study. The consensus was that none of the sites identified in the Study were inappropriate. Respondents should anticipate partnering with a State sponsored stakeholder group through the permitting process. The report documenting the stakeholder process and discussions is available for download at:

<http://www.energy.ri.gov/programs/renewable.php#windFinal>

The State seeks the lowest possible cost for energy produced by this facility. Toward achieving that end, the State does not desire direct payment from the successful respondent for the use of state waters for the portion of the project used to fulfill the State's renewable energy goal.

Rhode Island Renewable Energy Portfolio Standard

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

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

Power Purchase Contracts

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

Throughout the stakeholder process, and as a result of outreach to the municipalities, several municipal entities have expressed interest in long-term contracting for power, either through the purchase of power from the generator, or by taking an equity position in the project in exchange for a commitment of a portion of the power output.

SECTION 3 – PROPOSAL REQUIREMENTS

Proposal Evaluation Premises

Proposals to sell the output of the facility into the wholesale market at the market clearing price will not be considered for the first 1.3 million gigawatt-hours of production, unless creative approaches to provide long-term price stability for Rhode Island electricity customers are clearly demonstrated. Output above 1.3 million gigawatt-hours may be sold on any basis to any purchaser.

The State is seeking qualified proposers with a history of success in major electrical energy facility project development, and in particular offshore wind power project development. Qualifications ranking will be in accordance with the type of project experience demonstrated by the proposer.

Consistent with State goals, proposals will be evaluated first on the basis of lowest cost to Rhode Island consumers. It is understood that firm pricing cannot be determined with the level of effort expected for this proposal. The State expects that final pricing will be negotiated with the successful respondent, and that proposed pricing will be within a range of plus or minus ten percent (10%) of final pricing. The State reserves the right to terminate negotiations based on final pricing above the proposed price plus ten percent (10%).

Economic development, defined as new, full-time permanent jobs with associated tax revenues will also be considered. The State will consider not only jobs created by the operation and maintenance of the facility, but also jobs created in the renewable energy manufacturing and service sectors directly resulting from the proposer's efforts.

Proposal Elements

At a minimum, proposals shall contain the following elements:

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

- b. The experience of key firm or team members in offshore wind energy generation project development, onshore wind energy generation project development, and other energy generation project development.
 - c. An organization chart for the project team indicating the name of the team member, the team reporting structure and a narrative describing the responsibility of the team member.
 - d. Financial information demonstrating the capability of the firm or team to complete the project successfully. Audited financial statements are not required for this proposal, but will be prior to the beginning of final price negotiations. Significant deviation in the audited financial statements from information submitted with the proposal will be cause for termination of final negotiations.
 - e. Other information at the discretion of the proposer that will demonstrate the firm or team's ability to meet the State's goals for this project.
4. Price Proposal - as described above.
5. A project schedule including all major activities from notice to proceed to project operation.
6. Economic development proposal, including:
- f. Number of permanent jobs
 - g. Average salaries and benefits anticipated
 - h. Rhode Island taxes generated, including state and municipal taxes
7. In addition to the multiple hard copies of proposals required, Respondents are requested to provide their proposal in electronic format (CDRom or Diskette). Microsoft Word / Excel OR PDF format is preferable. Only 1 electronic copy is requested. This CD or diskette should be included in the proposal marked "original".

Proposal Evaluation Criteria

Criterion	Weight	Considerations
Experience	40%	1. Level of experience, from lowest to highest value: a. selected vendor b. permitting complete c. in construction d. operating facility. 2. Type of facility, from lowest to highest value: a. any power generation facilities b. renewable energy facilities

		c. on-shore wind power facilities d. off-shore wind power facilities. 3. Capacity of facilities
Price Proposal	40%	1. Lowest price, \$/MW-h
Economic Development	20%	From lowest to highest value: 1. Total number of permanent jobs 2. Total salaries 3. Total tax revenues generated

Due Date and Contact Information

Letters of Interest to provide the required services must be received by the Division of Purchases **on or before May 16, 2008 @ 2:00 PM (EDT)**. Responses (**a clearly marked original** plus four (4) copies) should be mailed or hand-delivered in a sealed envelope marked "LOI B06464: Electrical Engineering Services" to:

RI Dept. of Administration
Division of Purchases, 2nd floor
One Capitol Hill
Providence, RI 02908-5855

NOTE: Proposals received after the above-referenced due date and time may not be considered. Proposals must be presented to the Purchasing Receptionist for check-in and time stamp prior to the bid opening date and time. Proposals misdirected to other State locations or which are otherwise not presented in the Division of Purchases by the scheduled due date and time will be determined to be late and may not be considered. Proposals faxed, or emailed, to the Division of Purchases will not be considered. The "official" time clock is located in the reception area for the Division of Purchases. **(Please be advised that Fedex/UPS do not always arrive by 10:30 am, you would be smart to send your submission to arrive at least one day early)**

END