

**Western Area Power Administration  
Request for Proposals  
Regarding the Purchase of Renewable Energy Certificates  
June 14, 2011**

1. **BACKGROUND:** Western Area Power Administration (Western), a power marketing administration within the U.S. Department of Energy (DOE), desires to purchase Renewable Energy Certificates (RECs) under this Request for Proposals (RFP). The Upper Great Plains Region (UGPR) is the contracting office on behalf of Western. The purchase is pursuant to the Economy Act (EA), 31 U.S.C. § 1535, as supplemented; the Acts of Congress approved June 17, 1902 (32 Stat. 388); February 25, 1905 (33 Stat. 814); August 4, 1939 (55 Stat. 1187); December 22, 1944 (58 Stat. 887); July 3, 1952 (66 Stat. 325); April 11, 1956 (70 Stat. 105); August 4, 1977 (91 Stat. 565), and Acts amendatory or supplementary to the foregoing Acts. This proposed acquisition is not subject to the Federal Acquisition Regulation.

The Alliance for Sustainable Energy, LLC, the managing and operating contractor for the National Renewable Energy Laboratory under DOE, Golden Field Office (GFO), hereinafter referred to as the Party, has requested that Western purchase the individual REC amounts requested by year set forth in Attachment 1, on its behalf. Western encourages small and minority-owned businesses and Native American Tribes to apply.

The REC purchases are necessary to meet Leadership in Energy and Environmental Design (LEED) certification requirements for the new GFO Research Support Facility Wing Addition and Parking Structure (RSF2). A 3 year replacement REC buy is required for EA Credit 2 On-Site generation since the solar RECs for a planned roof-top PV system will be sold to Xcel Energy.

**Offers submitted in response to this RFP must be received via MAIL or FAX by Western on or before July 8, 2011, at 4:30 p.m. MDT to be considered for evaluation. E-mail offers will not be considered. Western reserves the right to not consider any proposals received after the prescribed dates and time.**

2. **DEFINITIONS:** The definitions of certain terms used in this RFP are as follows:
- 2.1 **Contractor:** The successful Offeror(s), Supplier(s), or Generator(s) for sale to Western of RECs under this RFP.
- 2.2 **Fiscal Year (FY):** Is defined as October 1 through September 30. FY and Contract FY are used interchangeably in this solicitation.
- 2.3 **Generator:** The entity having ownership of the renewable generation producing the RECs. The Generator may also be the Offeror/Supplier.

- 2.4 Offeror/Supplier:** The provider of, but not necessarily the generator of, RECs.
- 2.5 REC Contract:** The contract(s) that will be executed between Western and the Contractor(s) to formally contract for purchase of RECs for the Party.
- 2.6 Renewable Energy (RE):** Generally defined as the electric energy, measured in megawatt-hours (MWh), which is generated from solar, wind, biomass, landfill gas, ocean (including tidal, wave, current, and thermal), geothermal, municipal solid waste, or new hydroelectric generation capacity achieved from increased efficiency or additions of new capacity at an existing hydroelectric project, and is physically delivered into the electric grid.

Qualifying RE facilities are further defined by Section 203 of the 2005 Energy Policy Act, Executive Order 13423, and Green-e. Please refer to the following locations for the exact definitions of qualified RE facilities for this RFP:

[http://www1.eere.energy.gov/femp/technologies/renewable\\_requirements.html](http://www1.eere.energy.gov/femp/technologies/renewable_requirements.html) and [http://www.green-e.org/getcert\\_re\\_stan.shtml](http://www.green-e.org/getcert_re_stan.shtml)

- 2.7 Renewable Energy Certificate (REC):** Also known as a Tradable Renewable Certificate or "green tag," represents the environmental, social, and other positive attributes of power generated by renewable resources. These attributes include the tons of greenhouse gas that were avoided by generating electricity from renewable resources instead of conventional fuels, such as coal, nuclear, oil, or gas. These renewable attributes are sold separately as RECs. One REC is issued for each MWh unit of RE produced. The electricity that was split from the REC is no longer considered "renewable" and it cannot be counted as renewable or zero-emissions by whoever buys it.

REC and RECs are used interchangeably in this solicitation.

- 2.8 REC Request for Proposals (RFP):** A solicitation that requests offers in response to a government effort to acquire RECs.
- 2.9 Retirement Certification:** Documentation that certifies the RECs provided will not be marketed, sold, or transferred to any entity other than the Party, or presented as a component of the Generator's energy products.

### 3. STATEMENT OF WORK AND SPECIFICATIONS

- 3.1 REC Acquisition Requirements:** Western is requesting firm, fixed, per-MWh unit price offers for each year for the transfer of RECs on behalf of the Party for terms of each FY beginning FY 2012 through FY 2014. Attachment 1 to this RFP identifies the Party, the amount of RECs (in MWh) that the Party seeks to acquire per year, and location of generation, certification requirements, and delivery schedule.
- 3.2 Proposal Criteria:** Western will consider proposals that offer to supply one or more of the line items for the Party as set forth in Attachment 1. Western may aggregate more than one proposal to meet the requirements of this RFP.
- 3.2.1 The RECs to be purchased shall meet the RE definitions and qualification as stated in Subsection 2.6 above, and must also meet the Green-e certification definition of “New” (i.e., any eligible renewable facility beginning operation or repowered after January 1, 1998, for RECs delivered in 2012; January 1, 1999, for RECs delivered in 2013; and January 1, 2000, for RECs delivered in 2014).
- 3.2.2 All RECs to be provided under this acquisition must be generated within the United States and shall contain all of its original environmental attributes as defined in Subsection 2.7 above, and as specified in Attachment 1.
- 3.2.3 All RECs must be generated in the same FY for which the RECs are purchased, or as allowed by Federal Renewable Guidance.
- 3.3 Start Date:** The start date for the RECs contract period is October 1, 2011.
- 3.4 Renewable Energy Certification:** Offerors must certify that the RECs are “green” using Green-e certification methodology.
- 3.5 Transfer of REC Title:** The Contractor will transfer the applicable RECs to the Party following the schedule described in Attachment 1. The RECs transferred to the Party under and pursuant to a RECs Contract will be represented by a certificate, hereinafter called a Transfer Certificate. An authenticated copy of this Transfer Certificate will be provided to Western by the Contractor following the same schedule as described in Attachment 1.
- 3.5.1 All REC transfers to the Party, in the annual amounts and types, must be completed by November 30 of the following Contract FY as shown on Attachment 1.

3.5.2 Western and the Party reserve the right to unilaterally terminate the REC Contract, without penalty or obligation to the Supplier, for the Supplier's failure to deliver RECs in the amounts, types, and timeframe as described in Paragraph 3.5.1.

**3.6 Invoice and Payment:** All invoicing shall be based on the annual quantity of RECs purchased by and transferred to the Party on the basis specified in Attachment 1, beginning on the actual start date of the REC Contract. The RECs invoiced under the REC Contract must be generated in accordance with the criteria set forth in Subsection 3.2 and certified in accordance with Subsection 3.4. The Contractor will only be permitted to invoice for charges allowed under the terms and conditions of the REC Contract. The invoicing address will be specified therein. All invoices must be accompanied by a fully completed Certificate of Transfer. An authenticated copy of this Invoice will be provided to Western.

**3.7 Additional REC Amounts:** The Party may request Western to contract for (1) the transfer of RECs for additional facilities or (2) the transfer of additional REC amounts for the facilities described in this RFP. If Western considers the request within the original scope of the REC Contract, Western shall provide the Contractor with the desired additional REC amounts. Western and the Contractor will discuss whether to extend the full terms and conditions of the REC Contract to cover the proposed additional purchase.

**4. RFP SUBMISSION REQUIREMENTS:** Offerors must fully address each of the following submission requirements to be considered for this solicitation:

**4.1 Contact Information:** Offerors must provide: company name, contact person, physical mailing address, phone number, fax number, and e-mail address.

**4.2 Renewable Energy Facilities and REC Amounts:** Offerors must provide the following information: identify which line items in Attachment 1 they propose to serve with RECs; the facility name and type of generation resource (e.g., solar, wind, biomass, etc.); the location of the generating facility from which the RECs originate, including zip code; the original operational date of the generator producing the RECs; and the annual amount of RECs offered from each of the proposed generators.

**4.3 Cost:** Offerors must specify the firm, fixed, per-MWh unit price for the offered RECs for each Contract FY (October 2012 to September 2014).

**4.4 Past Performance:** Documentation must be submitted describing relevant past experience and performance regarding the transfer of RECs. Past

performance may include Federal and non-Federal customer references. The Offeror must provide current contact information for all past performance references provided. The Offeror agrees to permit Western's representatives to contact the listed references and inquire about the Offeror's past performance. Failure to provide past performance documentation may result in exclusion from further evaluation/consideration. Offeror's with no past performance due to recent business establishment/incorporation must provide supporting documentation verifying the same.

## 5. EVALUATION CRITERIA

**5.1 Best Value:** Utilizing the flexibility allowed under Western's power marketing authority, Western intends to award one or more REC Contracts to an Offeror(s) that Western considers as providing the best overall value and that otherwise meets the terms of this RFP.

**5.1.1 Past Performance:** Each Offeror(s) past performance, if any, shall be considered in evaluating which qualified offers provide the best overall value. Offeror(s) with no past performance may receive a neutral past performance assessment.

**5.1.2 Price:** REC firm, fixed, per-MWh unit price shall be considered in evaluating which qualified offers provide the best overall value.

**5.2 Submission Requirements:** An offer will be considered for evaluation if it complies with the submission requirements set forth under Section 4. Western reserves the right to seek additional information for, or clarification of, an individual offer as needed without notification to all Offerors.

## 6. GENERAL REC CONTRACT PRINCIPALS:

**6.1 Contingent on Appropriations:** Where activities provided for in the REC Contract extend beyond an individual FY, continued expenditures by the United States are contingent upon Congress making the necessary appropriations required for the continued performance of the United States' obligations under the REC Contract. In case such appropriation is not made, the Contractor hereby releases the United States from its contractual obligations and from all liability due to failure of Congress to make such appropriation.

**6.2 Covenant Against Contingent Fees:** The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the REC Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the

Contractor for the purpose of securing business. For breach or violation of this warranty, Western and the Party shall have the right to annul the REC Contract without liability or in its discretion to deduct from the REC Contract price or consideration the full amount of such commission, percentage, brokerage, or contingent fee.

- 6.3 Contract Work Hours and Safety Standards:** The REC Contract, to the extent that it is of a character specified in Section 103 of the Contract Work Hours and Safety Standards Act (Act), 40 U.S.C. § 3701, as amended or supplemented, is subject to the provisions of the Act, 40 U.S.C. §§ 3701-3708, as amended or supplemented, and to regulations promulgated by the Secretary of Labor pursuant to the Act.
- 6.4 Equal Opportunity Employment Practices:** Section 202 of Executive Order No. 11246, 30 Fed. Reg. 12319 (1965), as amended by Executive Order No. 12086, 43 Fed. Reg. 46501 (1978), as amended or supplemented, which provides, among other things, that the Offeror will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin, is incorporated herein by reference the same as if the specific language had been written into the REC Contract. Indian Tribes and tribal organizations may apply Indian preference to the extent permitted by Federal law.
- 6.5 Use of Convict Labor:** The Offeror agrees to not employ any person undergoing sentence of imprisonment in performing the REC Contract except as provided by 18 U.S.C. § 3622(c) as amended or supplemented, and Executive Order 11755, 39 Fed. Reg. 779 (1973), as amended or supplemented.

## **7. PROCESS AND TIMING**

- 7.1 Timing: Offers submitted in response to this RFP must be received via MAIL or FAX by Western on or before July 8, 2011, at 4:30 p.m. MDT to be considered for evaluation. E-mail offers will not be considered. Western reserves the right to not consider any proposals received after the prescribed dates and time.**

- 7.2 Submission of Responses:** Western will accept offers that are submitted by mail via the U.S. Postal Service or an equivalent private mail carrier (e.g., UPS or FedEx). The address for submission of responses via the U.S. Postal Service or private carrier is:

Western Area Power Administration  
Upper Great Plains Region  
ATTN: Mike Radecki (REC Project Manager)  
2900 4<sup>th</sup> Avenue North, 6<sup>th</sup> Floor  
Billings, MT 59107-5800

Offers may also be faxed to Western at (406) 255-2900, ATTN: Mike Radecki. Fax verification is (406) 255-2937. **Offers submitted via hand or electronic delivery methods will not be considered.**

- 7.3 Questions:** Questions regarding this RFP will be accepted **only via e-mail** to [radecki@wapa.gov](mailto:radecki@wapa.gov) until July 5<sup>th</sup>, 2011. All questions and responses will be electronically posted for public view. Western will not provide notification that questions and/or responses have been posted. Perspective Offerors are encouraged to check the following location:  
<http://www.wapa.gov/ugp/PowerMarketing/RenewEnergyCert/2011REC.htm>
- 7.4 Notification of Receipt:** A written acknowledgement of receipt of offers will not be provided. Offerors therefore are strongly encouraged to ensure that adequate tracking measures are taken with respect to their mailed or faxed offer.
- 7.5 Evaluation of Offers:** Western will consider all offers received on or before the date and time set forth in Subsection 7.1 of this RFP. Offerors should not expect Western to enter into discussions about their proposals, and should accordingly submit their best offer in their initial proposal. Western reserves the right to request best and final offers from one or more Offerors, and to award or possibly not award any REC Contract(s) as Western ultimately deems appropriate. REC Contract award decisions will be made by Western, in consultation with the Party.
- 7.6 Notification of Award and Subsequent Contracting:** Western will notify successful Offeror(s) regarding selection for contract negotiations, and will seek to negotiate and award the REC Contract(s) as soon as practicable. A direct notification to unsuccessful Offerors will not be provided. However, within one week after award, Western will post a general notification announcing contract(s) award(s) on its website.  
<http://www.wapa.gov/ugp/PowerMarketing/RenewEnergyCert/2011REC.htm>

**8. CONFIDENTIALITY AND USE OF INFORMATION IN OFFERS:** Western will share information contained in submitted offers with other Western staff and may also share the information with the Party and their designated representatives. Offerors wishing to have part of, or their entire offer, not made available to the public should so indicate by marking the applicable portions “Confidential.”

**9. CONTACT INFORMATION:**

Mike Radecki (REC Project Manager)  
Western Area Power Administration  
Upper Great Plains Region  
2900 4<sup>th</sup> Avenue North, 6<sup>th</sup> Floor  
Billings, MT 59107-5800  
Radecki@wapa.gov

## Attachment 1 REC BID Schedule

Western is requesting firm, fixed, per-MWh unit price, per year offers for the transfer of RECs on behalf of the Party for each year for contract terms October 2012 up to September 2014. Proposals are requested for Bid Line Items 1 and 2 below.

<u>Bid Line Items</u>	<u>REC Megawatt-hours Requested Per Fiscal Year</u>			<u>Location of Generation</u>	<u>Certification Requirements</u>
	<u>2012</u>	<u>2013</u>	<u>2014</u>		
1. RSF 2 Parking Structure <u>1/</u>	3,000	3,000	3,000	e-Grid MROW, RMPA OR SPNO	Meets Federal renewable definition and Green-e Certified
2. RSF 2 LEED EA Credit <u>1/</u>	629	629	629	e-Grid MROW, RMPA OR SPNO	Meets Federal renewable definition and Green-e Certified

1/ All RECs to be delivered (invoiced) in annual amounts. REC Certificates of Transfer will be submitted no later than November 30 of the following Contract FY.