



RPS Procurement
Tranche 1

**Bidders Information
Session**

March 12, 2020

**Maine Public
Utilities
Commission**

Agenda

Initial Information and
Introductions

Explanation of the
Procurement Process

FAQs

Initial Information and Introductions

- ▶ Staff introductions
- ▶ Today's session available for playback on Commission's website
- ▶ Docket No. 2020-00033 is open on the Commission's case management system
 - ▶ Secure docket for filing bids; all bids are confidential
 - ▶ Public docket for posting of procedural orders and Q&As
- ▶ Commission webpage:
<https://www.maine.gov/mpuc/electricity/rfps/class1a2020/index.shtml>
- ▶ How to communicate with us
 - ▶ Posting of Q&As on webpage and in docket

Background

- ▶ The Act: P.L. 2019, Chapter 477, requires PUC to conduct two procurements to obtain an amount of energy or RECs from Class 1A resources equal to 14% of retail electric sales in CY 2018, which is 1.715 million MWh
 - ▶ At least 7%, up to 10% through contracts approved by 12/31/20
 - ▶ Remainder through solicitation process initiated no later than 1/15/21
- ▶ Definition of Class IA Resource from the Act and Chapter 311, as amended
 - ▶ It is a Class I Resource other than a Class I Resource that for at least 2 years was not operated or was not recognized by ISO-NE as a capacity resource and, after Sept. 1, 2005, resumed operation or was recognized by the ISO-NE as a capacity resource
- ▶ The RFP for Tranche 1 issued on February 14, 2020

Procurement Terms and Conditions

- ▶ Contracts
 - ▶ 20-year term with T&D utility
 - ▶ Energy or RECs from Class 1A resource, preference for energy
 - ▶ Capacity may be included
- ▶ Resource may have no affiliation with a customer that has elected to be exempt from Class 1A and thermal energy requirements
- ▶ Commission staff may negotiate term sheet(s) with bidders, which will form the basis of Commission consideration and approval

The timeline for the procurement process

Event	Date
Bids are due	April 10, 2020
Redline of standard contract due	April 10, 2020
Deadline for submitting questions	March 20, 2020
Answers to questions	March 27, 2020
Staff review of proposals and evaluation process	Beginning April 11, 2020
Submission of Term Sheet upon request from PUC staff	Beginning April 11, 2020, On-going
Commission deliberation and award	Q3 2020 (estimated)
Contract finalization	Immediately following approval
Contract execution	TBD by Commission

Bid Evaluation

- ▶ A weight of 70% given to benefits to ratepayers
- ▶ A weight of 30% given to benefits to the Maine economy
- ▶ In-State Benefits categories
 - ▶ Capital investments
 - ▶ Payments for harvest of wood fuel
 - ▶ Employment
 - ▶ Payments to a host community
 - ▶ Excise, income, property and sales taxes paid\
 - ▶ Purchase of goods and services
 - ▶ Avoided emissions resulting from operation of the resource
- ▶ How will the Commission evaluate these proposed benefits?

Energy Storage Systems

- ▶ Must be connected to State's electricity grid and paired with qualifying resource so long as it is
 - ▶ Co-located with a qualifying resource or
 - ▶ Not co-located but shown to reduce emissions - RECs only
- ▶ Bidder must propose the project with and without the storage system
- ▶ Evaluation based on ratepayer benefits
 - ▶ Cost reduction
 - ▶ Peak demand reduction
 - ▶ Deferral of investment in T&D system
 - ▶ Increase in flexibility, reliability and resiliency of grid
 - ▶ Reduction in emissions

Standard Form Contract

- ▶ Available on webpage and in docket
- ▶ There are sections that are product specific and cannot be determined until awards
 - ▶ Pricing of Contract Products
 - ▶ In-State Benefits and associated Credit Support Payments
- ▶ Benefits Reporting and Contract Payment Adjustment
- ▶ Timing
 - ▶ Redlines due at time of bid (April 10, 2020)
 - ▶ Execution

Frequently Asked Questions

- ▶ Where you can file questions
- ▶ Here are the categories of questions we have received
 - ▶ Energy or RECs or both?
 - ▶ Energy storage
 - ▶ In-State benefits
 - ▶ How will they be scored?
 - ▶ Performance security? How much? When?

Questions?

