

*Marin Energy
Authority – Request
for Proposals
Update*

April 2, 2009

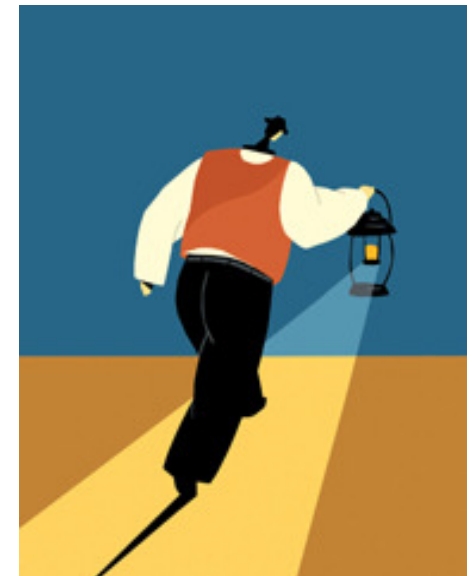
RFP Schedule

Issues to Consider during RFP Review

RFP Marketing, Communications &
Evaluation

Questions

NAVIGANT
CONSULTING



RFP Schedule

Marin Energy Authority – RFP Schedule

- Draft RFP distributed to Advisory Group via email on March 23
- *Begin legal review of Draft RFP as soon as possible*
- Draft RFP distributed and discussed at a Technical Committee meeting scheduled for Friday, April 10
- Internal deadline for written comments is set for April 16
- Provide near-final Draft RFP to MEA Board, Committees, Advisors and public on April 22
- Final comments due by April 29
- Submit final RFP to MEA Board on May 5; final RFP made available to public at this time
- MEA Board approves RFP for distribution during May 7 meeting
- RFP distributed to prospective suppliers on May 8

*Issues to Consider during
RFP Review*

Marin Energy Authority – Issues to Consider during RFP Review

As the MEA Board, its Advisors, its Committees and the Public reviews the Draft RFP, consider the following issues:

- **How will “local” be defined, as this term relates to specific RE resources?**
 - The current Draft RFP defines Local Renewable Resources as resources within the Counties of Marin, Sonoma, Napa, Lake, Yolo and Solano.
 - Is this definition sufficient?
 - Are there geographic boundaries beyond which MEA will not consider projects?
- **How is Energy Efficiency (EE) addressed in the RFP?**
 - The current Draft RFP does not specifically request bids for EE services, but the load forecast included therein will reflect EE penetration within Member Communities.
 - The MEA Board must identify EE Program principles to guide program development.
 - Prospective suppliers could be encourage to provide EE-focused proposals, but responses will vary widely without program definition by MEA.
 - MEA should consider establishing a committee to guide EE Program development.

Marin Energy Authority – Issues to Consider during RFP Review (Continued)

- **How much emphasis will be placed on price certainty for power supplies?**
 - The current Draft RFP requires bidders to provide fixed pricing for two distinct energy products: load following; and banded volumes.
 - Are there additional pricing variations that should be reflected in the RFP?
 - Does this provide adequate price protection for the Authority?
- **How is rate design addressed in the RFP?**
 - The current Draft RFP requires bidders to provide fixed prices (\$/kWh) for each of seven traditional customer classes and for all classes combined.
 - The MEA Board will ultimately establish customer rates based on bids received in response to the RFP?
 - Rate incentives focused on Economic Development or direct savings for specific customers should be addressed by the MEA Board during rate setting, and should be based on responses (prices) to the RFP.

Marin Energy Authority – Issues to Consider during RFP Review (Continued)

- **How is distributed generation deployment (residential PV, etc.) addressed in the RFP?**
 - The current Draft RFP does not specifically address DG deployment, but the load forecast included therein will include assumptions regarding local installations.
 - The MEA Board must identify elements of a DG Program (likely in concert with development of its EE Program).
 - Prospective suppliers could be encourage to provide DG-focused proposals, but responses will vary widely without program definition by MEA.
 - MEA should consider establishing a committee to guide DG Program development (in concert with EE Program development).
- **Will there be a process established for evaluating renewable energy projects outside of the RFP?**
 - Development of a standard offer contract?
 - What terms should be reflected in this contract?
 - When will the Board be prepared to act on proposals presented by prospective developers/suppliers?

Marin Energy Authority – Issues to Consider during RFP Review (Continued)

- **How is renewable asset ownership addressed in the RFP?**
 - The current Draft RFP encourages, but does not require, the submittal of proposals that include renewable resource ownership options for MEA.
 - Is the resource development/asset ownership schedule identified in the Business Plan acceptable to the MEA Board?
 - Development of the aforementioned standard offer contract may provide favorable ownership opportunities for MEA.
 - MEA may want to consider the development of a Renewable Resource RFP at a later date (following the receipt and evaluation of responses to its general RFP for energy services) as well as bilateral discussions with asset owners/developers.
- **Will the “proposal requirements” and “evaluation criteria” stated in the RFP help MEA identify the best potential supplier?**
 - Are there specific evaluative criteria and/or requirements that MEA would like add, remove or edit to focus supplier responses?
 - “Weight” assigned to individual evaluative criteria will need to be determined.
 - Overly prescriptive requirements may deter responses.

*RFP Marketing,
Communications & Evaluation*

Marin Energy Authority – RFP Marketing, Communications & Evaluation

- **Navigant has prepared a preliminary list of targeted RFP recipients, based on qualifications and experience.**
 - This list will be distributed with the near-final Draft RFP on April 22.
 - The MEA Board, its Advisors and its Committee Members are encouraged to review and supplement this list with additional business entities, which have demonstrated appropriate qualifications and experience.
 - Relevant industry media sources will be included in this list, such as Megawatt Daily, California Energy Markets and others.
- **RFP Distribution:**
 - The Interim Director and the MEA Board will need to determine the manner in which distribution of the RFP will be managed and related responsibilities.
 - Electronic distribution
 - Hard-copy distribution, as necessary
 - Press release development and media notification
 - Resolving returned electronic communications

Marin Energy Authority – RFP Marketing, Communications & Evaluation (Continued)

- **Administering RFP Communications:**
 - The Interim Director and the MEA Board will need to determine the manner in which communications will be administered with prospective respondents and the media.
 - RFP Mailbox
 - Follow-up correspondence, calls, etc.
 - Media follow-up
- **Proposal Evaluation:**
 - The Interim Director and the MEA Board will need to specify the evaluative and short-list notification processes related to the RFP.
 - Scheduled follow-up calls with each respondent
 - Levelized cost analysis
 - Proposal scoring
 - Short-list notification
 - Interviewing short-listed respondents

Questions, Comments & Discussion

Questions?

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