

QUESTIONS AND ANSWERS #3

RFP #2020-001

NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

REQUEST FOR PROPOSALS

Consultant for Value of Distributed Energy Resources Study

	Questions	Answers
1.	Does the Commission or Staff have either a solar or hydropower generation profile that it would prefer be used for this project, or will the selected consultant be expected to provide these profiles?	The consultant will be expected to work with Commission Staff to identify appropriate generation profiles for this study. Profiles used for the Locational Value of Distributed Generation (LVDG) study (RFP #2019-003, available on the Commission website) may be considered for this study.
2.	Does the Commission or Staff have a forecast of distributed generation solar or hydropower penetration, or is this something the selected consultant should develop?	The consultant will be expected to work with Staff to identify appropriate forecasts for this study. To the extent possible, the study should make use of readily available state-level forecasts, including forecasts from the ISO New England Distributed Generation Forecast Working Group, and any readily available data used for the AESC study.
3.	Should the consultant plan to develop any custom energy or capacity market modeling, or should all necessary energy and capacity market prices, or other metrics, be sourced from the AESC?	The VDER study should rely on the methodology, inputs, and results of the AESC study to the extent possible, with modifications implemented based on the difference between DG and EE and relevant New Hampshire-specific considerations. For example, forecast assumptions used for AESC modeling currently remove future EE and include forecasted DG in the calculation of prices. The VDER study would require inclusion of forecasted EE and removal of forecasted DG to understand the appropriate avoided costs. The consultant will be expected to review the AESC study and make appropriate adjustments as necessary to its assumptions, inputs, or methods.
4.	We understand that the LVDG study will inform the distribution capacity avoided costs – when will that study be available (in draft or final form) for use in this study?	Study results for the LVDG Study are expected to be completed and publicly available prior to the start of the VDER study process. The LVDG Study scope is available for review on the Commission’s website under RFP #2019-003.

5.	We understand that the 2018 vintage of the Avoided Energy Supply Cost in New England study is currently available; does the Commission anticipate that this 2018 vintage report will be used for the VDER study, or will a newer report vintage be available in the coming months that should be used?	The VDER study should use data inputs and relevant conclusions from the 2020 AESC study to the greatest extent possible, while avoiding undue delay in completion of the VDER study.
6.	If a newer version of the AESC is forthcoming, will that report be substantially similar to the 2018 version in the types of information, data, and methodologies it provides?	Staff anticipates that the 2020 AESC study will be similar to the 2018 version in terms of avoided cost data and methodology. However, that study has not gotten underway yet, so details regarding the new study information, data, and methodologies are unknown at this time.
7.	We understand that the June 2017 Order directed that the VDER study “focus on the net present value of long-term avoided costs using marginal concepts and incorporating test criteria from standard energy efficiency benefit-cost analysis.” Should benefits be expressed in terms of net present value dollars, or dollars per kW or MW, or dollars per kWh or MWh?	The net costs and benefits should be developed using the appropriate values according to criteria, such as \$/kWh or \$/kW, and those values discounted to net present value, with the results ultimately expressed in \$/kWh. Staff anticipates that net avoided cost values for 8,760 hours or a smaller subset of multiple hours should be generated through the study.
8.	Is there an AESC report for 2019 that can be used as a reference tool? Is there an update to the AESC report planned during the time frame of the VDER study that could be relied on?	The AESC report was not updated in 2019. Staff understands that a new AESC study is planned to be conducted beginning this year, with a draft anticipated in late 2020 and a final report anticipated in the first quarter of 2021, but the schedule for that new study has not yet been finalized.
9.	Per the RFP (page 12 of 15, paragraph 10), “In addition, each contract shall be supplemented by three exhibits ... Exhibit B will set forth in detail the Scope of Services and reporting requirements” – will this exhibit include the consultant’s entire proposal, or portions thereof? If a portion of the consultant’s proposal will be included in this Exhibit, should the consultant note in its proposal those sections that should be included if selected or should that be handled after consultant selection?	The Exhibit B scope of services will not include the selected consultant’s entire proposal. Exhibit B will primarily be based upon the study scope and timeline description attached to the RFP as Appendix A. Proposers should not identify sections of a proposal to be included in Exhibit B.
10.	<u>Question relative to Form P-37, Section 6.3 modifications</u>	The proposed language changes to P-37 Paragraph 6.3 are acceptable.

	<p>Would the State of New Hampshire be willing to modify Section 6.3 as follows? We have a number of clients who are confidential and would prefer not to have any of their information in our customer management or billing system. With the modifications below we are asking for some clarification to ensure that the Commission has necessary access, but that our confidential client information is protected. Red font indicates proposed modifications for consideration.</p> <p>6.3. The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts during normal business hours solely for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement. In doing so, Contractor may reserve all rights with respect to the protection of its trade secrets.</p>	
<p>11.</p>	<p><u>Question relative to Form P-37, Section 8.2.2 modifications</u></p> <p>We propose to add to the end of that paragraph “unless Contractor completes the project on schedule”;</p> <p>So the new language reads as follows with proposed added language in red font:</p> <p>8.2.2.give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor unless Contractor completes the project on schedule;</p>	<p>The proposed language change to P-37 Paragraph 8.2.2 is <u>not</u> acceptable.</p>
<p>12.</p>	<p><u>Question relative to Form P-37, Section 10.2 modifications</u></p> <p>We are proposing to modify Section 10.2 to add a sentence at the end to protect</p>	<p>The proposed language change to P-37 Paragraph 10.2 is <u>not</u> acceptable. However, the Commission is open to negotiating language at the time of contracting with the selected consultant that would</p>

	<p>preexisting software (owned or developed ahead of this effort) or work developed by our firm ahead of this project.</p> <p>10.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason. The foregoing shall not apply to preexisting software or algorithms of Contractor or modifications thereto used to generate data for the State.</p>	<p>confirm the consultant’s continuing ownership of existing intellectual property rights.</p>
<p>13.</p>	<p><u>Question relative to Form P-37, Section 13 modifications</u></p> <p>We are proposing to modify indemnification Section 13 as follows (changes shown in red font):</p> <p>13. INDEMNIFICATION. Unless otherwise exempted by law, the Contractor shall indemnify and hold harmless the State, its officers and employees, from and against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement, or other claims asserted against the State, its officers or employees, which arise out of (or which may be claimed to arise out of) the acts or omission of the Contractor, or subcontractors, including but not limited to the negligence, reckless or intentional conduct. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.</p>	<p>The proposed language change to P-37 Paragraph 13 is <u>not</u> acceptable.</p>
<p>14.</p>	<p><u>Question relative to Form P-37 modifications</u></p> <p>We respectfully request to add a new section on the subject of force majeure.</p>	<p>The proposed language addition to the P-37 is <u>not</u> acceptable.</p>

	<p>25. FORCE MAJEURE. The Completion Date may be extended if and to the extent Contractor's performance is delayed on account of an event that is unavoidable, beyond the Contractor's control and not occasioned by its fault or negligence, such as may arise as a result of war, acts of terrorism, riots, explosions, fire, floods, typhoon, earthquake, epidemics, quarantine restrictions, national strikes and freight embargoes.</p>	
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