



ENERGY

# SREC-Based Financing (SREC-II) Program RFP Overview Webinar

Atlantic City Electric Company (ACE), Jersey Central Power & Light Company (JCP&L), and Rockland Electric Company (RECO)

March 26, 2015



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**Jersey Central  
Power & Light**

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# Disclaimer

## Important Notice

Any statements in this Webinar presentation describing or referring to RFP-related documents and agreements are summaries only, and are qualified in their entirety by reference to such RFP-related documents and agreements as provided in the following:

- SREC-II Program RFP
- Appendix 1: Purchase & Sale Agreement (PSA)
- Appendix 2: Expression of Interest (EOI) Form
- Appendix 3: Sample Bid Form
- Appendix 4: Project Proposal Summary
- Appendix 5: Certifications Checklist

# Agenda

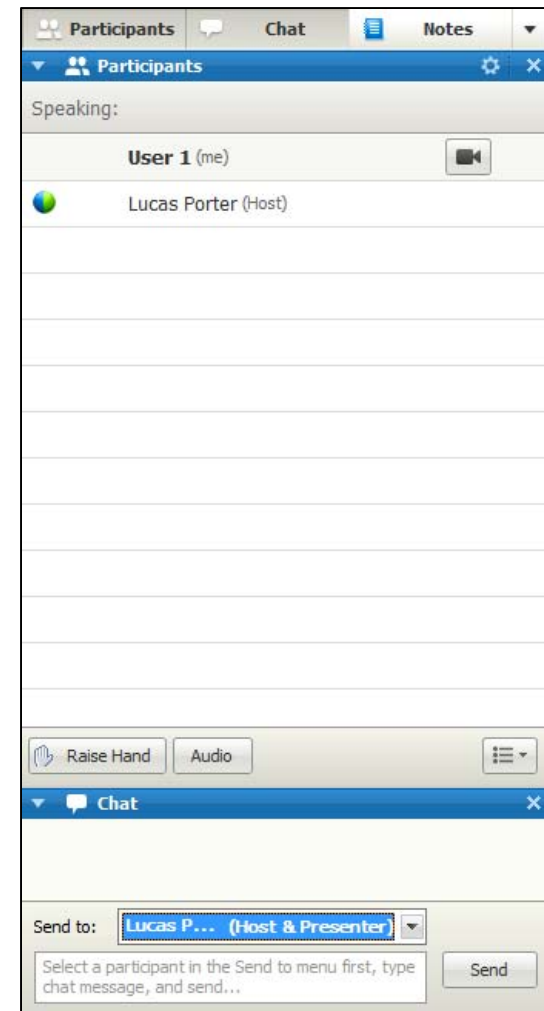
- **Today's Webinar**
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# Today's Webinar

## Phones will remain muted throughout

- » You may submit questions today:
  - via the WebEx “chat” function (you will not be identified to other participants, we may elect to repeat and address your question at the end of the webinar);
  - via the RFP Web Site at [njsolarprogram.com](http://njsolarprogram.com) (click on ‘FAQ’); or
  - via email to [njsolar@navigant.com](mailto:njsolar@navigant.com) (your question can be submitted at any time during the RFP and may be responded to directly by our staff)
  
- » We will post responses to all questions submitted and received during the Webinar to the RFP Web site by April 9, 2015

WebEx chat window



Documents and details related to RFP located at [njsolarprogram.navigant.com](http://njsolarprogram.navigant.com)

NJ Solar Program > Home  
New Jersey SREC II-Based Financing Program

**atlantic city electric**  
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**Rockland Electric Company**

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## Request for Proposals ("RFP") Under the SREC-Based Financing ("SREC-II") Program

*To subscribe for e-mail updates on the New Jersey EDCs' RFP under the SREC-Based Financing program, please follow this link.*

This site, provided by Navigant Consulting, Inc., is your primary source of information for the SREC-Based Financing Program ("Program"). It is provided for Jersey Central Power & Light Company ("JCP&L"), Atlantic City Electric Company ("ACE"), and Rockland Electric Company ("RECO"). This site will be updated regularly, so please check back often for current information and documents. If you have any questions regarding this RFP, please contact the Solicitation Manager at [njsolar@navigant.com](mailto:njsolar@navigant.com).

### Announcements

| <input type="checkbox"/> | @ | Date of Announcement | Title   | Body   |
|--------------------------|---|----------------------|---|--|
| <input type="checkbox"/> | @ | 3/24/2015            | SREC-II Program Guide has been updated; PSAs Posted | Please note that the SREC-II Program Guide has been updated to correct the dates indicated in conformance with the RFP Rules. Also, please note that PSAs for JCP&L and ACE have been posted. The PSAs for Rockland Electric will be posted shortly. Please see the <a href="#">Documents</a> section of the site to download the materials. |
| <input type="checkbox"/> | @ | 3/9/2015             | RFP has been Issued                                 | The Request for Proposals under the SREC-Based Financing Program has been issued. Check the ' <a href="#">Documents</a> ' section of this web site for the RFP documents.  |

# Communications Protocol

- » Navigant has been engaged by Atlantic City Electric Company (“ACE”), Jersey Central Power & Light Company (“JCP&L”), and Rockland Electric Company (“RECO”), collectively referred to as the Electric Distribution Companies (“EDCs”) as the Solicitation Manager (SM) for the SREC II RFP.
- » As the SM, Navigant has been tasked with managing any communications related to the RFP.
- » Proposers may submit questions via:
  - chat during this Webinar;
  - RFP Web site: [www.njsolarprogram.com](http://www.njsolarprogram.com) and click on ‘FAQ’
  - E-mail: [njsolar@navigant.com](mailto:njsolar@navigant.com)
- » All correspondence pertaining to the RFP should be directed through the RFP Web site or via e-mail.

## RFP Overview

- » The Program and RFP are designed to encourage and enable financing for new solar projects based on reasonable assurances regarding the price and potential revenues that could result from each project's generation of SRECs.
  
- » Each EDC will individually contract with the selected winning bidders for **SRECs only** from projects located within the EDC's service territory.
  - No purchase of energy or capacity from the solar projects is offered under this solicitation.
  
- » The SREC-Based Financing Program is consistent with Stipulation and NJ BPU Orders:
  - 10 year term purchase agreements.
  - Approximately three solicitations will be issued each year.
  - Requires completion of the SREC Registration Program.

## SREC Solicitation Segments

- » **SREC sales proposals solicited under the SREC II Program must fall in one of the following 3 categories:**
  - **Segment 1:** Net-metered residential and small commercial solar photovoltaic Projects less than or equal to 50 kW (Set-Aside and “Aspirational”).
  - **Segment 2:** Net-metered Projects greater than 50 kW up to 2 MW.
  - **Segment 3:** Grid-supply solar photovoltaic Projects conditionally certified or fully certified by the Board as located on closed landfills, brownfields or areas of historic fill.



## Round 1 Overview

- » The SREC II Program will be implemented over a three year period.
- » In the first program year, the SREC II Program will solicit SREC sales proposals from eligible solar Projects for a total of 33 MW.
- » For this Round 1 RFP, the quantities of planned new solar capacity (in kW-Dc) by EDC and by Segment are set forth in the table below.

### Round 1 RFP Quantities

| Segment                                       | Round 1 Solicitation (kW) |              |              |              |
|---|---------------------------|--------------|--------------|--------------|
|   | JCP&L                     | ACE          | RECO         | TOTAL        |
| Segment 1 - Res/Comm Set-Aside                | 290                       | 130          | 50           | 470          |
| Segment 1 - Res/Comm Aspirational             | 580                       | 250          | 200          | 1,030        |
| Segment 2 – Res/Commercial                    | 4,330                     | 1,920        | 200          | 6,450        |
| Segment 3 - Landfill/Brownfield/Historic Fill | 0                         | 0            | 1,500        | 1,500        |
| <b>EDC Total Round 1 Solicitation Targets</b> | <b>5,200</b>              | <b>2,300</b> | <b>1,950</b> | <b>9,450</b> |

# Eligibility and Requirements

The following is a checklist of the primary eligibility criteria for the SREC II Program:

1. Project proposal conforms to all program requirements and meets the description for one of the following segments:

- Segment 1: Net-metered Residential and Commercial solar photovoltaic projects less than or equal to 50 kW Dc
- Segment 2: Net-metered solar photovoltaic projects greater than 50 kW Dc up to 2 MW Dc
- Segment 3: Grid Supply solar photovoltaic projects conditionally or fully certified by the NJ BPU

2. Project must be located in one of the EDC territories and be connected to the EDC distribution system

3. Participant, Developer, Owner, and/or Customer agrees to all program requirements, including

- Terms and conditions of the SREC-PSA
- EDC net metering arrangements
- Execution of PJM-GATs Standing Order

4. Net metered project must clear the Initial Application Process under SREC Registration Program (SRP)

5. Project has not been constructed prior to the date that bid proposals are due (must be a new project)

6. Project will not request interconnection prior to BPU approval of bids and award of SREC-PSA

# Components of a Conforming Bid

- » Expression of Interest (EOI)
  - Requires only basic information:
    - Contact information, including an email address so we can send you a Bid Form;
    - An NJCEP Application Number for your project from the New Jersey Clean Energy SREC Registration Program.
  - Deadline to submit EOI for the first round is **Monday, April 20, 2015 at 12PM (noon) EST**
- » The Pricing Proposal
  - Includes the following project details:
    - Project's NJCEP Application Number;
    - Proposed price per SREC to be paid by the EDC during the Delivery Period of the SREC-PSA;
    - Project Segment (1, 2 or 3);
    - Project size in kW-Dc;
    - The service territory where the project will be located (e.g., ACE, JCP&L, or RECO);
    - A box to check to indicate your agreement the rules of the SREC II Program.
  - Bid Form w/ Pricing Proposal for first round due **Thursday, April 23, 2015 at 12PM (noon) EST**
- » The Qualification Package
  - Includes the following documents
    - The *Project Proposal Summary Sheet* – a form available on the Documents page of the Web site;
    - Copy of Initial Application Materials under the NJCEP SREC Registration Program;
    - The *Certifications and Checklist for Qualifications* – a form available on the Documents page of the Web site
  - Qualification Package for first round also due **Thursday, April 23, 2015 at 12PM (noon) EST**

# Application Fee

- » Pursuant to Section 1.2.25 of the RFP rules, the following Program Participant Fees must be paid prior to the submission of the Bid:

| Segment                                       | Application Fee |       |       |
|---|-----------------|-------|-------|
|   | JCP&L           | ACE   | RECO  |
| Segment 1 - Res/Comm                          | \$25            | \$25  | \$150 |
| Segment 2 – Res/Commercial                    | \$50            | \$50  | \$150 |
| Segment 3 - Landfill/Brownfield/Historic Fill | \$150           | \$150 | \$150 |

- » Payments must be made via the online payment portal located at <https://njsolarprogram.navigant.com/SitePages/Application%20Fee.aspx>
- » Per Section 5.1.6 of the RFP, the confirmation number provided must be included in a Proponent’s Bid Package (Appendix 5 – *Certifications and Checklist for Qualifications*) to be evaluated or else the proposal will be rejected.

## Expression of Interest (EOI)

### » Requirements

- The EOI must be submitted using the form provided in Appendix 2.
- Each project must submit an EOI for each solicitation, regardless of past solicitations.
- The EOI form must include primary contact email address and NJCEP Application Number.
- The EOI form must provide contact information for the Representative submitting Pricing Proposal.

### » Submission and Processing

- The deadline for submission of EOIs is 12:00 PM Eastern on Monday, April 20, 2015.
- If an EOI is incomplete or requires clarification, the SM will contact the Representative and provide until the Cure Deficiency deadline, Wednesday, April 22, 2015 at 5:00 PM Eastern, to respond by re-submitting a complete and consistent EOI.
- When an EOI is complete and satisfies all the requirements, the SM will send the following to the Proponent electronically at the email address provided:
  - Instructions for submitting the Pricing Proposal; and
  - A Bid Form unique to the Project and pre-populated with the Project's NJCEP Application Number.

**No more than one EOI may be submitted for a given NJCEP Application Number and Project.**

# Pricing Proposal

## » Requirements

- Bid Form must be submitted using form provided by the SM via email
- After completion of the EOI a Bid Form is provided (sample contained in Appendix 3).
- Bid Form for a Project is pre-populated with a Project's NJCEP Application Number. A Proponent is required to submit:
  - Price – expressed in dollars and cents per SREC.
    - › This will be the price received for each SREC transferred to the EDC under the SREC PSA if awarded.
    - › Pricing in the Pricing Proposal must be the same for the entire term of the proposed contract, which will be the lesser of a 10 year term or attainment of the SREC purchase cap.
  - Segment
  - Size of the Project – expressed in kilowatts (“kW”), rounded to the third decimal.
  - EDC territory in which the Project resides – must be the service territory of JCP&L, or ACE, or RECO.

## » Submission and Processing

- The deadline for submission of Pricing Proposal is 12:00 PM (noon) on Thursday, April 23, 2015
- A project is identified solely by its NJCEP Application Number.
- Each Proponent must submit a complete Bid Form for a Project via e-mail to [njsolar@navigant.com](mailto:njsolar@navigant.com) using the email address provided with the EOI.
- Any pricing proposals received after the deadline will not be evaluated.
- Proponents with deficient bid forms will be informed and may be provided an opportunity to resubmit the Bid Form; full details are provided in Section 3.2 of the RFP Rules.
- SM evaluates only the last complete and consistent Bid Form and Pricing Proposal for a Project submitted before the deadline.

# Qualification Package

## » Requirements

- Qualification Package must include the following two completed forms:
  - the “Project Proposal Summary Sheet” – provided in Appendix 4
  - the “Certifications and Checklist for Qualifications” – provided in Appendix 5
- Proponent must provide contact information of an individual who can answer questions regarding the qualification materials and be available from Thursday, April 23, 2015 to Monday, May 4, 2015 to provide any additional materials or clarifications requested by the SM.
- Owner must agree to the terms of the SREC PSA without modifications.
- Owner must certify that it is not part of a bidding agreement with another Proponent.
- Proponent must provide an acknowledgment from the Customer.
- Proponent confirms that the Proponent is submitting all required documents by completing Section 6.

## » Submission and Processing

- The deadline for submission of Qualification Package is 12:00 PM (noon) Thursday, April 23, 2015.
- Each Proponent must submit 1 electronic copy of the Project Proposal Summary Sheet.
- Each Proponent must provide all required qualification materials as described in Section 4.1 of the RFP Overview document.

## Bid Evaluation

- » The SM will conduct the Project ranking in the following sequence:
  - Proposals will be reviewed for eligibility and completeness – ineligible/incomplete proposals and those that have not paid the Application Fee and provided the corresponding payment confirmation number will be rejected.
  - Proposals will be ranked by price per SREC.
  - Appropriate Developer Caps will be applied for each segment.
  - Segment participation in the solicitation and ranking process will be assessed.
  - Preliminary findings (segment participation, Developer Cap, competitiveness of pricing, recommendations for next round of solicitation) will be developed.
  - Preliminary findings and recommendations will be presented to the EDCs, BPU Staff and Rate Counsel for input.
  - Recommendations to the Board, which will be presented to the Board by BPU Staff will be prepared.
- » **Please note:** The SM will not recommend a Proposal for which the Pricing Proposal, the EOI, or the Qualification Package is incomplete or fails to respond to any requirement of this RFP for the Round 1 solicitation (See RFP for further details).



## Basis for Award and Post-Bid Activities

- » The SM provides preliminary recommendations for selection to the EDCs, BPU Staff and Rate Counsel.
- » The SM considers input from parties regarding the preliminary recommendations.
- » The SM will then present final recommendations to the BPU for selection.
- » Final awards are determined by the BPU and memorialized in a Board Order.
- » The SM will then notify bidders of the results.
- » The execution of the SREC-PSAs by the Owners of successful Projects will occur within several weeks following the issuance of the BPU Order making the awards.

# RFP Schedule

| Date           | Action  |
|----------------|---|
| March 9, 2015  | Release of RFP for Round 1  |
| March 26, 2015 | RFP Webinar at 11:00 AM ET  |
| April 20, 2015 | Expressions of Interest due   |
| April 23, 2015 | Bid Packages (Pricing Proposals and Qualification Packages) due             |
| May 4, 2015    | SM reviews preliminary recommendations with BPU, EDCs & Rate Counsel        |
| May 12, 2015   | Deadline opportunity for input – SM develops final recommendations to Board |
| May 22, 2015   | SM submits Round 1 recommendations to Board                                 |
| May 27, 2015   | Board Meeting and Written Order   |
| June 2, 2015   | Round 1 Final Awards Announced  |
| July 13, 2015  | Execute SREC PSAs with Round 1 Winners                                      |

# Key CONTACTS



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**Solicitation Manager, Navigant Consulting, Inc.**

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