

# FIRSTENERGY OHIO UTILITIES

## 2016 SHORT-TERM REC AND SREC RFP

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OCTOBER 6, 2016

PRESENTED BY:

DAN BRADLEY  
NAVIGANT CONSULTING, INC.  
RFP MANAGER

NAVIGANT

GOOD MORNING!

**Thank you for attending FirstEnergy Ohio Utilities  
RFP for 2016 Ohio Compliant RECs and SRECs  
Webinar**

*Phones will remain muted throughout the Webinar*

**Our session will begin shortly**

Our key presenter this morning:

Dan Bradley

Managing Director, Navigant Consulting (“RFP Manager”)

# DISCLAIMER

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

- RFP Bidding Rules
- Attachment 1: Communications Protocol
- Attachment 2: Credit Application
- Attachment 3: Qualifying Application
- Attachment 4: Bid Price Proposal
- Purchase and Sale Agreement (“PSA”)

# AGENDA

- Communications Protocol
- RFP Website
- Target Quantities
- Eligibility & Requirements
- PSA Overview
- Proposal Submittal Requirements
  - Credit Application
  - Qualifying Application
  - Bid Price Proposal
- Posting Security
- Evaluation
- Executing the PSA
- RFP Schedule
- Questions about the RFP

# RFP COMMUNICATIONS PROTOCOL

- Contact with FirstEnergy Ohio Utilities is restricted during the RFP process. FirstEnergy Ohio Utilities has retained Navigant Consulting as the RFP manager for this RFP.
- All contact should be directed to the RFP Manager through the following channels:
  - RFP website: click on “contact” and fill out the form
  - Email: send an email to [manager@feohiorecrfp.com](mailto:manager@feohiorecrfp.com)
  - Webinar: during this Webinar, interested parties may submit chat questions

# RFP WEBSITE

- Visit the RFP website for more details <http://www.feohiorecrfp.com>



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## 2016 Short-Term REC and SREC RFP

### Welcome to FirstEnergy Ohio Utilities' 2016 Ohio Compliant RECs & SRECs RFP Home Page

[Sign-up to our email list for updates](#)

[CLICK HERE TO DOWNLOAD THE RFP FILES](#)

FirstEnergy Ohio Utilities' is seeking proposals for firm delivery of 6,500 SRECs and 230,000 RECs for its 2016 compliance requirements under Ohio Law as amended pursuant to Senate Bill 310. RECs and SRECs must be delivered to FirstEnergy Ohio Utilities' no later than February 14, 2017 via the PJM GATS Tracking System.

**REGISTER TODAY FOR THE RFP WEBINAR** *new!*

Thursday, October 6, 2016 11:00 am Eastern Daylight Time

Register at this link: [Webinar Registration](#)

# TARGET QUANTITIES

- FirstEnergy Ohio Utilities are seeking to purchase a fixed number of 2016 Ohio compliant RECs and SRECs to be Delivered on or before February 14, 2017 in the following target quantities:
  - 6,500 SRECs
  - 230,000 RECs

# ELIGIBILITY AND REQUIREMENTS

- All RECs and SRECs proposed pursuant to this RFP shall:
  - be or have been derived from Eligible Resources;
  - be firm offers and not unit contingent offers;
  - be or have been generated no earlier than January 1, 2014 and no later than December 31, 2016;
  - be consistent with any and all applicable Ohio laws, rules and regulations, including without limitation, rules and regulations promulgated by the PUCO;
  - be Delivered to FirstEnergy Ohio Utilities no later than February 14, 2017 via GATS; and
  - become the sole property of FirstEnergy Ohio Utilities.



**Public Utilities  
Commission**

Eligible Resources means a renewable energy resource generating facility that has been certified by the Public Utilities Commission of Ohio (“PUCO”) to be eligible to create RECs or SRECs that may be used to comply with Ohio's alternative energy portfolio requirement.

- Instructions for filing an application for certification as an Ohio renewable energy resource generating facility can be found on the PUCO website at the link below:

<http://www.puco.ohio.gov/puco/index.cfm/puco-forms/renewable-energy-resource-generating-facility-application-for-certification/#sthash.t8R0FeIU.dpbs>



Under the Purchase and Sale Agreement, all RECs and SREC must be Delivered to FirstEnergy Ohio Utilities via the GATS Tracking System. GATS is short for the “PJM Environmental Information Services Inc.’s Generation Attributes Tracking System” and is available at the link below:

<https://www.pjm-eis.com/getting-started.aspx>



# PSA OVERVIEW

The terms and conditions of FirstEnergy Ohio Utilities' purchases will be subject to a Purchase and Sale Agreement for Renewable Energy Credits ("PSA")

- All terms and conditions incorporated in the PSA are considered final and non-negotiable
- In the event a successful Proposer fails to secure the quantity of RECs and/or SRECs from the renewable generating facility that the Proposer originally planned to use to provide such RECs and/or SRECs, it remains that successful Proposer's obligation to Deliver to FirstEnergy Ohio Utilities the quantity of RECs and/or SRECs set forth in the PSA
- Proposers must be able to meet all requirements of the PSA, and failure to do so will result in exclusion of the Proposer's proposal from further consideration
- The PSA is posted in the Documents section of the RFP website

# PROPOSAL SUBMITTAL REQUIREMENTS

- To submit a proposal, send one email to [manager@FEOhioRECRFP.com](mailto:manager@FEOhioRECRFP.com) which includes all of the following completed documents:
  - Credit Application;
  - Qualification Application; and
  - Bid Price Proposal(s).
- Proposals must be received by the RFP Manager via email no later than 5:00 pm on November 7, 2016

***The required documents are posted in the Documents section of the RFP website***

# CREDIT APPLICATION

- Attachment 2 Credit Application is available on the RFP website
- Final Credit Applications must be submitted to the RFP Manager prior to the Proposal and Credit Application Due Date November 7, 2016 by 5:00 PM EPT
- All Proposers must submit a credit application. Proposers who submit a credit application early may receive feedback and will have the opportunity to modify their credit application if it is resubmitted prior to the proposal due date.
- Credit Applications are used to determine the amount (if any) of security that would be required under the PSA

**FirstEnergy Ohio Utilities**  
RFP for 2016 Ohio Compliant Renewable Energy Credits

**Attachment 2: Credit Application**

**INSTRUCTIONS**

**All Proposers must submit a Application** Submit one PDF form of the Credit Application via email to [manager@FEOhioRECRFP.com](mailto:manager@FEOhioRECRFP.com). The Credit Application must be signed by an authorized representative of your company and provided in Adobe PDF format. If Proposer previously completed a Credit Application for any previous FirstEnergy Ohio Utilities Renewable RFP, Proposer is still required to complete a new Credit Application.

**Credit Application Window: October 31, 2016 but no later than November 7, 2016 at 5:00 PM EPT.** *FirstEnergy Ohio Utilities reserves the right to modify any dates stated below at its sole discretion and accepts no liability to the extent the actual schedule is different from the anticipated schedule. In the event a change is made to the RFP Schedule, a revised schedule will be posted on the RFP website.*

**Please see Article 5 of the PSA and Section 8 of the RFP Bidding Rules for additional information regarding Credit and Security.**

# QUALIFICATION APPLICATION

- Attachment 3 Qualification Application is available on the RFP website
- The Qualifying Application consists of two (2) parts both of which must be completed in full
  - Proposer Information
  - Confirmation of PSA and Statement of REC/SREC Compliance which must be signed by an authorized representative

**FirstEnergy Ohio Utilities**  
RFP for 2016 Ohio Compliant Renewable Energy Credits

**Attachment 3: Qualifying Application**

**Due: November 7, 2016 by 5:00 PM EPT.** *FirstEnergy Ohio Utilities reserves the right to modify any dates stated below at its sole discretion and accepts no liability to the extent the actual schedule is different from the anticipated schedule. In the event a change is made to the RFP Schedule, a revised schedule will be posted on the RFP website.*

The Qualifying Application consists of two (2) parts:

- I. Proposer Information
- II. Confirmation of PSA and Statement of REC/SREC Compliance (to be signed by an authorized representative)

**All Proposers must complete the applicable sections of this Qualification Application.** It is the Proposer's responsibility to provide any and all information that could impact its Proposal. If it appears that information is inadvertently omitted from a Proposal, Navigant may, but is not required to, contact the Proposer to request such information. If Proposer has any questions regarding its Qualification Application, Proposer is encouraged to contact Navigant via email at [manager@FEOhioRECRFP.com](mailto:manager@FEOhioRECRFP.com).

# BID PRICE PROPOSAL

- Attachment 4 Bid Price Proposal Application is available on the RFP website in Microsoft Excel format
- All Bid Price Proposals must specify the contract amount and fixed price for all 2016 Ohio Compliant RECs or SRECs proposed for Delivery
- You may use multiple copies of the Bid Price Proposal to submit multiple pricing bids; however, you must structure the bids such that you are capable of Delivering all REC and/or SREC contract amounts proposed
- All contract amounts are considered “up to”. FirstEnergy Ohio Utilities reserve the right to offer to award a smaller contract amount than bid

FIRSTENERGY OHIO UTILITIES 2016 Ohio Compliant REC RFP Attachment 4: Bid Price Proposal			
COMPLETE THIS FORM FOR EACH OHIO COMPLIANT ALL-STATE SOLAR REC PRICING PROPOSAL			
Gray boxes below are bidder input boxes.			
II. SREC BID PRICE PROPOSAL			
Input	Unit	Enter	Notes
Contract Amount	SRECs	0	Quantity of SRECs bid.
Single Fixed Bid Price	\$/SREC	\$0.00	Fixed bid price applies to the entire SREC Quantity entered above.
Notional Proposal Value	\$	\$0.00	Notional Proposal Value = SREC Quantity * Proposed Price

# POSTING SECURITY

- **No Security needs to be posted by a Proposer unless the bid award is greater than \$500,000 and the Proposer does not have an adequate credit rating to support the credit required for the PSA.**
- Any security required must be posted by November 21, 2016 (not with your bid)
- Seller shall post such Security in the form of:
  - Letter of Credit in the form of Appendix B in the PSA; or
  - Guaranty in the form of Appendix C in the PSA; or
  - Cash; or
  - Another substantially similar form approved in advance by FirstEnergy Ohio Utilities.
- Proposers shall receive back a corresponding percentage of the Security upon Delivery of the 2016 RECs and/or SRECs based on the percentage of RECs or SRECs Delivered

# EVALUATION PROCESS PART 1

## Proposal Qualification

- The RFP Manager will review each proposal to confirm it
  - was received on time
  - contains the required documents (Credit Application, Qualification Proposals) fully completed
- RFP Manager may ask clarifying questions of a Proposer via email to complete its review
- Time is of the essence and failure to respond or late response to any such request may result in a Proposal not being qualified

# EVALUATION PROCESS PART 2

## Bid Price Stacking and Selection

- The RFP Manager will:
  - sort qualified Bid Price Proposals by category (REC, SREC) and then by price.
  - select Bid Price Proposals by price for each category up to the target quantities sought by FirstEnergy Ohio Utilities in this RFP.
- In the event of “tied” Bid Price Proposals preference will be given to:
  - (i) projects that are physically located within the State of Ohio; and
  - (ii) the larger volume Proposal
- All Bids Price Proposals will be considered an offer to supply any quantity up to the quantity specified in the bid. If selection of the next incremental Proposal exceeds the Target Quantity, the selection would be limited to the amount remaining to fulfill the Target Quantity.



# EXECUTING THE PSA

- After Part 2, FirstEnergy Ohio Utilities will prepare a PSA that incorporates information from winning Proposals
- PSA(s) will be sent to winning Proposers via email and hard copy.
  - **Within one (1) business day of receipt:** Winning Proposer shall execute and return the applicable PSA to FirstEnergy Ohio Utilities via an email with a PDF of the executed PSA; and
  - **Within three (3) business days of receipt:** Winning Proposer shall execute and return a hard copy (printed copy) PSA to FirstEnergy Ohio Utilities.
- Proposers who have particular difficulties with these requirements may make special arrangements with the RFP Manager

# TARGET SCHEDULE OF EVENTS

Activity	Date
Issue RFP Documents	October 3
RFP Overview Webinar (11:00 AM)	October 6
FAQ Deadline (5:00 PM)	October 13
FAQ Responses Posted on Web site	October 20
Credit Application Acceptance Window Opens	October 31
Proposal and Credit Application Due Date (5:00 PM)	November 7
Notification of Successful Proposer Award(s)	November 14
Executed PSAs (PDFs) due back	November 15
Executed PSAs (Hard Copy) due back	November 18
Posting of Security (if applicable)	November 18

# QUESTIONS ABOUT THE RFP

- Questions about the RFP should be submitted by potential Proposers to the RFP Manager at [manager@FEOhioRECRFP.com](mailto:manager@FEOhioRECRFP.com)
- Questions can be submitted on or before FAQ Deadline of October 13, 2016 at 5:00 PM EDT
- Responses to questions will be posted on October 20, 2016 to the Documents section of the RFP Web site (anonymous)
- While the RFP Manager and FirstEnergy Ohio Utilities will review and attempt to answer all questions, the RFP Manager and FirstEnergy Ohio Utilities reserve the right not to answer any question

THANK YOU FOR  
PARTICIPATING!

## CONTACT

Please contact the RFP Manager with any

Questions:

[manager@feohiorecrfp.com](mailto:manager@feohiorecrfp.com)

[navigant.com](http://navigant.com)

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