Appendix H: Sample RFI

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| The sample RFI is intended to be used as a guide and should be reviewed and modified by agency counsel to meet the agency's needs, policies, and requirements. In addition, agency counsel should advise on proper format and publication of the RFI.  Throughout this sample, fill-in-the-blank areas are indicated with the symbols < > and notes are indicated by bracketed italics. |

**A. Background**

The goal of this RFI is to solicit information from industry to assist the < agency, site name and location> in structuring a future solicitation for a proposed <x> MW on-site solar array that will be implemented using an energy savings performance contract energy sales agreement (ESPC ESA).[[1]](#footnote-1) An ESPC ESAis a project structure that allows federal agencies to utilize the ESPC long-term multiyear contracting authority to implement cost-saving renewable energy conservation measures (ECMs) on federal buildings/land that support domestic energy production and leverage private sector investment. Under an ESPC ESA, just as with a traditional ESPC,[[2]](#footnote-2) an energy service company (ESCO) incurs the costs of implementing an ECM (in this case the ECM is an onsite renewable energy generation system) and is repaid by the federal agency from a share of the resulting energy savings.

The ESPC ESA must meet all ESPC statutory and regulatory requirements (*See* 42 U.S.C. § 8287 *et seq.* and 10 C.F.R. § 436.30 *et seq.*), including the requirement that the agency pay for the cost of the ESPC ESA from energy savings generated each year over the life of the contract. The ESCO must be on the *U.S. Department of Energy’s (DOE) Qualified List of Energy Service Companies (DOE Qualified List)* available at <http://energy.gov/eere/femp/doe-qualified-energy-service-companies> or an agency's list of qualified contractors (consistent with 42 U.S.C. § 8287(b)(2)(A)-(B) requirements) prior to contract award.

In order for the ESPC ESA contract to be scored annually, it must be consistent with the requirements under the OMB “Addendum to OMB Memorandum M-98-13 on Federal Use of Energy Savings Performance Contracts (ESPCs) and Utility Energy Service Contracts (UESCs)” (M-12-21, dated September 28, 2012, available at <https://www.gsa.gov/portal/mediaId/189419/fileName/Environmental_Programs_Addendum_to_OMB_Memo_m-12-21.action>), including the requirement that the federal government retain title to the onsite renewable energy generation system at the conclusion of the contract.

The intent is for the ESPC ESA to meet the safe harbor requirements of IRS Revenue Procedure 2017-19 (*see* [[3]](#footnote-3)<https://www.irs.gov/pub/irs-irbs/irb17-07.pdf),>[[[4]](#footnote-4)](https://www.irs.gov/pub/irs-irbs/irb17-07.pdf),) including the requirements that the ESPC ESA contract length be 20 years or less, that the ESCO will own, operate, and maintain the renewable energy generation system at all times, and title transfer of the renewable energy generation asset will be at fair market value as appraised by a third party at the time of the sale.

The ESCO will transfer a portion of the payments it receives from <site> each year into a reserve account held by the ESCO. These funds will be allocated to the future FMV purchase of the renewable energy generation asset. Any reserve account funds in excess of the renewable energy generation FMV purchase price can be applied by the ESCO to offset the final ESPC payment(s).

The <agency> is considering a solar project at the <site> for the following reasons *[possible goals listed below]:*

* 1. To reduce costs
  2. To protect against volatile energy prices
  3. Local economic benefits
  4. Energy resiliency *[If this is a goal, the solar project must be configured to operate when there is a grid outage. The project could be configured to be microgrid-ready, see* [*http://www.nrel.gov/docs/fy15osti/64582.pdf*](http://www.nrel.gov/docs/fy15osti/64582.pdf)*]:*
  5. Education
  6. To increase renewable use

<Site> <is/is not> currently considering other non-solar ECMs under this RFI.

B. **Description**

*[Include pertinent details regarding the site and the proposed solar array, such as the following:*

* *Roof PV systems: roof type and installation date, warranty information, whether penetrations should be limited, whether ballasted systems are allowed or preferable.*
* *Ground-mounted systems: slope, type of vegetation, tree removal, landscaping, road and/or fence requirements.*
* *Carport systems: parking lot size, what areas are to be covered, storm water management, freeze protection and/or lighting requirements.*
* *Electrical system and planned interconnection.]*

Below is additional solar project information and important considerations:

1. The solar project shall include the photovoltaic modules, inverters, electrical connections, disconnects and all other electrical components necessary to provide a fully functional system. The system shall be operated and maintained, including all inverter and other equipment replacement for the life of the contract *[Add information regarding the electrical distribution system and expected interconnection point.]*
2. An <environmental assessment or other> is required to meet National Environmental Policy Act. This assessment will be conducted by <agency, Contractor, other> by <date> [*preferably before the RFP is issued]*. Other regulatory requirements and considerations include: *[list other applicable requirements such as cultural, archeological and/or those related to the National Historic Preservation Act and how these requirements will be met]*.
3. The Buy American Act/Trade Agreement Act <will/will not> apply.
4. Davis Bacon Act/Service Contract Act <will/will not> apply for PV system installation/operations and maintenance.
5. *[List other pertinent requirements or information, such as safety requirements.]*

**C. Electricity Consumption and Rate Information**

Below is <site> electricity consumption and rate information *[At a minimum include annual electricity consumption, peak demand and average blended electricity rate. It may be beneficial to include monthly electricity consumption, monthly peak demand and/or interval data; demand charge information, peak/off-peak rates and/or other rate information that will be used to determine if the ESPC statutory savings requirement will be met.]*

**D. Questions**

<Agency> requests the following information:

*[Below are sample questions that should be edited to meet agency RFI objectives.]*

1. Please provide the following information about your company: A short (1 page or less) summary of the company’s qualifications and a list of similar solar project contracts that are completed or currently in progress, with a special emphasis on projects at a Federal site and/or in the same utility service territory. Include customer information and location, number of megawatts installed, and type of contract.
2. Have you worked with the federal government before? If so, have you completed any solar projects for federal clients? What roadblocks did you encounter during that process, especially related to solar?
3. Provide a non-binding, indicative estimate of the ESPC ESA price (¢/kWh) and escalation rate, keeping in mind that the price must be lower than the current and forecasted electric rates. The forecasted escalation rate is estimated at <x>%, based on *[use the Energy Escalation Rate Calculator ­*[*http://www1.eere.energy.gov/femp/information/download\_blcc.html#eerc*](http://www1.eere.energy.gov/femp/information/download_blcc.html#eerc) *or other method]*.
4. What is the estimated future FMV of the proposed PV system (assuming the FMV purchase is made at the end of the 20 year contract) and what assumptions were used for the FMV calculation?
5. What types of incentives – tax credits, rebates, etc. – can be monetized, in order to reduce the ESPC ESA price, considering that the PV systems will be installed on federal property?
6. Do you recommend that the solar renewable energy certificates (SRECs) be sold to improve the project economics? If so, how long would it be beneficial to sell the SRECs and what is the typical contract length in <state where the site is located>? What is the estimated SREC price/year? Any other comments on the <state> SREC market?
7. Do you have any other suggestions or comments?

**E. Responses**

Responses are limited to <x> pages *[if desired add details regarding allowable margins and/or font type and size]*. Please include contact names(s), address, phone number, and email. Submission of information does not commit a responding party to submit a proposal to any subsequent solicitation. Commenters are advised that <agency> is under no obligation to acknowledge receipt or provide feedback with respect to any comments received under this announcement.

<Agency> may use responses to structure future solicitations. Responses will not be considered confidential. <Agency> advises commenters to avoid including any information in their responses that might be considered business sensitive, proprietary, or otherwise confidential. If, however, a commenter chooses to submit business sensitive, proprietary, or otherwise confidential information, it must be clearly and conspicuously marked as such in the response. In addition, (1) the header and footer of every page that contains confidential, proprietary, or privileged information must be marked as follows: “Contains Confidential, Proprietary, or Privileged Information Exempt from Public Disclosure” and (2) every line and paragraph containing proprietary, privileged, or trade secret information must be clearly marked with double brackets or highlighting. Failure to comply with these marking requirements may result in the disclosure of the unmarked information under the Freedom of Information Act or otherwise. The U.S. Federal Government is not liable for the disclosure or use of unmarked information and may use or disclose such information for any purpose. If a comment contains confidential, proprietary, or privileged information, the commenter must include a cover sheet identifying the specific pages containing confidential, proprietary, or privileged information.

The requested information is for preliminary planning purposes only and does not constitute an obligation by <agency> to enter into a contractual agreement. Nor does it constitute a commitment, implied or otherwise, that the <agency> will issue an RFP in the future. The <agency> will not be responsible for any costs incurred by offerors in furnishing this information.

**Due Date for Responses and Submission Method:**

*[Include details regarding how responses should be submitted, such as email with a specified email title.]*

1. These types of agreements are often pursued as power purchase agreements (PPAs), but pursuing such projects under the ESPC authority is attractive because it allows for a long term contract. (The ESPC authority allows a 25-year contract, however IRS Revenue Procedure 2017-19 limits ESPC ESA contracts to 20 years or less.) [↑](#footnote-ref-1)
2. *See* <https://www.energy.gov/eere/femp/energy-savings-performance-contracts-federal-agencies> for general information regarding ESPCs. [↑](#footnote-ref-2)
3. Tax incentive eligibility due diligence is the responsibility of the ESCO. [↑](#footnote-ref-3)
4. Tax incentive eligibility due diligence is the responsibility of the ESCO. [↑](#footnote-ref-4)