

BWL 2023 All-Source RFP Q&A

1. RFP Requirements

- 1.1. Are the minimum project sizes in AC or DC?
A. All project sizes indicated in the RFP document are in MW AC.
- 1.2. Will you accept assets outside Zone 7 with the ability to schedule power/capacity on firm transmission into zone?
A. No, BWL will only consider projects in MISO Zone 7 or local projects connected to the BWL transmission and distribution system.
- 1.3. Location requirement is set as 'Projects Connected to MISO Zone 7". Based off MISO rules, a Project with NRIS can qualify for capacity credits in any MISO Zone. Will Projects in other MISO Zones that plan on qualifying for MISO Zone 7 ZRCs be considered?
A. No, BWL will only consider projects in MISO Zone 7 or local projects connected to the BWL transmission and distribution system.
- 1.4. Will LBWL accept offers for pre-NTP sale/ Development Asset sale?
A. No, BWL will not accept offers for pre-NTP/development sale. Development must happen before BWL takes ownership.
- 1.5. Is the RFP considering capacity only contracts (without energy)? If yes, can a single season be offered or would LBWL want all seasons?
A. No, the 2023 All-source RFP does not allow capacity only contracts. However, developers interested in offering capacity only contracts may reach out to the BWL team by sending an email to LBWL2023AllSourceRFP@ascendanalytics.com. BWL's Bulk Power and Market Operations Team will consider the offer.
- 1.6. Would a Tolling Arrangement be considered for Thermal Resources? Or is LBWL only considering ownership agreements?
A. As indicated in Section 3 of the RFP document, BWL will only consider ownership offers for thermal resources.
- 1.7. For Group A projects: Is there a requirement that the project eventually transfers ownership to BWL, or is it optional to either transfer ownership or enter into a PPA?

- A. For projects eligible for PPA contracts, BWL does not have a requirement for transferring ownership after the PPA end date. Refer to Section 3 of the RFP document for information on acceptable contract structures by project type.
- 1.8. Will BWL accept a pure EPC offer in which bidder design and build and not own the asset and receive payment on set milestone?
- A. BWL will consider ownership agreement with payments on set milestones. Bidders must include in their submissions a milestone payment schedule to review. Refer to Exhibit D (Term Sheet – Ownership) for more details.
- 1.9. Under the ownership structure, do you accept development support with full EPC?
- A. For Ownership Offers, The BWL would accept and prefers development support with full EPC. Bidders to define their plans in the Project Narrative and/or redline markups of the Term Sheet.
- 1.10. Do you require bidders to maintain the capacity of the storage project for the 20-year life of the system and propose their augmentation and/or the overbuild at the beginning?
- A. For PPA offers, Bidders are required to maintain the offered MW capacity throughout the PPA tenor (augmentation cost should be baked into the offered price). For Ownership projects, Bidders must indicate in the Offer Form the maintenance costs associated with augmenting the project to maintain the offered MW capacity. Refer to Exhibits C and D for proposed term sheets.
- 1.11. There are a number of environmental and permitting related questions in Offer Form Group A. Does BWL accept desktop research for the BWL site?
- A. For qualitative questions (that don't require a formal study) on the BWL site in Offer Form A, desktop research is acceptable.
- 1.12. For a PPA, are you looking for all attributes (energy, RECs, capacity, etc.) year-round or would you have varying needs by season (summer, fall, winter, spring) under the new MISO construct?
- A. BWL is requiring offers to include all attributes (energy, capacity, ancillary services, and environmental, as applicable). For this procurement, BWL will focus on year-round attributes.
- 1.13. May bidders submit an Alternate Offer without submitting a Primary Offer if project CODs fall outside of the requested Primary Offer dates?
- A. BWL will accept an Alternative Offer without the Primary Offer if the COD on the Alternative Offer is before 06/01/2028. Bidders must still indicate in the "Participant and Project Info" tab of the Offer Form that it is an Alternative Offer, and make sure to upload it to the corresponding part of the Submission Portal. Note that, as stated in the RFP protocol, BWL has

a strong preference for projects meeting the Primary Offer COD (06/01/2025). Alternative Offers may not be fully considered until the Primary Offers are fully reviewed.

- 1.14. For Group A projects: would a technology that will be interconnected to a utility system and demonstrated its capabilities before the June 1, 2025 COD, but not at present, be considered?
A. BWL will consider such an offer. Note that this may negatively impact the project risk scoring, but the offer would still be eligible.
- 1.15. What are your permit and site control requirements? Do you need permits in hand as well as 100% site control, or just a plan to get there?
A. The RFP does not specify permit and site control requirements. Bidders must indicate in their offers the status and plan for permits and site control. BWL will assess this as part of the project risk scoring.

2. RFP Offer Form

- 2.1. In the Group A Offer Form, I was prompted with an error when I typed a Zip Code that starts with a "0" and also the COD field would not accept an acceptable COD. Can you fix these and repost the document?
A. Thank you for bringing this to our attention. We've modified the Offer Form templates to accommodate for zip codes that start with a "0". [Bidders must make sure to use the latest version of the Offer Form available on the RFP website.](#)
- 2.2. In the Group A Offer Form, the "Project & Participant Info" tab, cells B28-B29 seem to have an error. Both say "a date must be entered before 1/2/2022" as the specifications for entry, although dates are not required for those responses. Can you fix these and repost the document?
A. Thank you for bringing this to our attention. We've updated the data validations in the Offer Form ("Project & Participant Info" tab cells B28-B29). [Bidders must make sure to use the latest version of the Offer Form available on the RFP website.](#)
- 2.3. In the Group A Offer Form, is there a way to indicate an option other than "newly built, already operational, or planned to repower" for projects that are in development?
A. Projects that are in development may select "Newly Built" in the project status of the Offer Form template.

3. Group B Projects

- 3.1. For demand response, are you seeking an implementer to implement the Demand Response program? Meaning do you need a company to provide implementation services like marketing,

customer enrollment, and program management? Or would you be open to a self-service software option?

A. BWL is open to both options. Bidders must provide as much information as possible in the Offer Form and Project Narrative.

3.2. Do you have any specific device requirements for the Demand Response portion? I.E. thermostats, EV chargers, batteries.

A. No, BWL is looking for any Demand Response opportunities that meet the requirements indicated in the RFP document.

3.3. For the demand response solution, are you expecting the solution to provide residential and commercial & industrial capabilities?

A. BWL accepts demand response offers for any (or all) of the above sectors, as long as the combined program qualifies under the size requirements of the RFP.

3.4. Page 24 of the RFP indicates the following information for Group B: If a single Bidder wishes to submit multiple unique programs, each project must be submitted as an entirely new Submission Package. If a bidder proposes multiple energy efficiency and demand response components as a portfolio for consideration is this considered a "program"? Can this be compiled as one submission or is each individual component (i.e., residential rebates, non-residential rebates, demand response, etc.) required to be submitted separately?

A. The BWL requires that demand response offers be submitted separately from energy efficiency offers. The components of a demand response or energy efficiency program are not required to be submitted as separate offers, but the BWL does recommend the submission of separate offers for each component. If multiple components are bundled as a program, the BWL recommends that the bidder's proposals clearly explain and delineate the attributes of each component of their program. If a bidder chooses to offer a program with multiple components, the overall \$/MWh or \$/kW-year offered is expected to remain unchanged regardless of the success of individual components of the program.

3.5. Please confirm that all components of Group B are considered one program.

A. The BWL requires that demand response offers be submitted separately from energy efficiency offers. The components of a demand response or energy efficiency program are not required to be submitted as separate offers, but the BWL does recommend the submission of separate offers for each component. If multiple components are bundled as a program, the BWL recommends that the bidder's proposals clearly explain and delineate the attributes of each component of their program. If a bidder chooses to offer a program with multiple components, the overall \$/MWh or \$/kW-year offered is expected to remain unchanged regardless of the success of individual components of the program.

- 3.6. Does BWL have an expectation for MW saved via Group B - Energy Efficiency and Demand Response?
- A. Refer to the RFP document section 3.2 for eligibility requirements. For demand response, the utility dispatchable programs must be at least 1 MW AC in aggregate. For energy efficiency, there is no minimum project size.

4. Submission Documents

- 4.1. Is there an NDA available for redlines and signature prior to proposal submission?
- A. Refer to section 6.8 (Confidentiality) of the RFP document. BWL is not providing a template for NDA/Confidentiality Agreement. Bidders may submit their own NDA as part of the submission package for BWL's consideration.
- 4.2. Who would NDA be addressed to (signature block)?
- A. Bidders can leave a placeholder in their NDA for "Lansing Board of Water and Light". Appropriate staff at BWL will review and sign the NDA when received.
- 4.3. For the narrative, would BWL prefer the bidder to submit a single narrative encompassing their entire proposal, for example Residential and Commercial EWR and Demand Response programs, or would each component of Group B require a separate narrative?
- A. The organization of the proposal and narrative is left to the discretion of the Bidder. If multiple components are bundled as a program, the BWL recommends that the bidder's proposals clearly explain and delineate the attributes of each component of their program.
- 4.4. Does each individual component of a Group require a separate offer form? Example: If a bidder was proposing Group B EWR and Demand Response programs, would the bidder be required to submit a single offer form for the portfolio of programs or individual offer forms for each of the programs in the portfolio (Income Qualified, Residential rebates, Commercial & Industrial rebates, Demand Response, etc.)?
- A. The BWL requires that demand response offers be submitted separately from energy efficiency offers. The components of a demand response or energy efficiency program are not required to be submitted as separate offers, but the BWL does recommend the submission of separate offers for each component. If multiple components are bundled as a program, the BWL recommends that the bidder's proposals clearly explain and delineate the attributes of each component of their program. If a bidder chooses to offer a program with multiple components, the overall \$/MWh or \$/kW-year offered is expected to remain unchanged regardless of the success of individual components of the program.

5. Projects on BWL property

- 5.1. If a BWL property is proposed to be used, will the assumed lease rate be \$0? If not, what should the assumed lease rate be for the property?
- A. Bidders may assume a lease rate of \$0 for the proposed BWL properties.
- 5.2. Are the seven BWL properties mentioned in pages 11 and 12 of the RFP available for PPA bids where the bidder keeps ownership of the proposed project?
- A. BWL is not selling the property. BWL will maintain ownership of the land and provide a lease of \$0 for the PPA tenor.
- 5.3. If a developer is proposing to utilize parcels owned by BWL that are listed in the RFP should the developer submit for interconnection prior to the RFP response deadline? There might be multiple developers purposing to utilize the same BWL parcels; how will the interconnection be handled if multiple parties are utilizing the same parcel?
- A. As indicated in Sections 3.2 and 6.7 of the RFP document, for projects proposing to connect to the BWL T&D system, they must submit an Interconnection Application and Data to the BWL. The minimum requirements are to complete appendices A, B, and C from the BWL's interconnection process.
- Appendix A: Interconnection Application A-1
 - Appendix B: Interconnection Application Data B-1
 - Appendix C: One-Line Representation
- Once the documents are completed, please email them to LBWL2023AllSourceRFP@ascendanalytics.com. If multiple parties submit projects on the same parcel, the BWL will study all options.
- 5.4. For the property located at the Erickson coal plant, can we assume that the demolition and remediation costs would be carried by Lansing in accordance with the plant retirement?
- A. Please refer to Exhibit-G, which shows an approximate Developable Area for some sites. For the All-Source RFP, assume that all existing infrastructure at the Erickson site will remain. Assume any future demolition at the Erickson site will be completed by the BWL unless a developer proposes to reuse the facility as part of their project. Refer to the following press release for information about the Erickson Plant, <https://www.lbwl.com/community/newsroom/2022-11-30-bwl-retires-last-coal-fired-power-plant-become-largest-michigan>
- 5.5. What is the maximum lease tenor for projects developed on BWL property? Is it possible to have a lease term that extends beyond the tenor of a PPA?
- A. No, BWL is offering a lease of \$0 only during the PPA tenor.

- 5.6. Can a project, developed on BWL property, be operated within MISO wholesale and retail markets upon the expiration of a PPA with BWL? This is dependent on a lease tenor being longer than PPA length.
- A. No, BWL is offering the properties only during the PPA tenor.
- 5.7. If BWL transfers the ownership of the sites they are offering for this RFP. What amount should bidders assume for land value?
- A. BWL is not transferring ownership of the sites. BWL is offering a \$0 lease for the duration of the PPA.
- 5.8. If a bidder were to propose developing a facility on an existing BWL site, would BWL provide the Gas and Water Interconnections (at suitable volume and pressure), Transmission Power and Electrical Interconnect to the Grid? Our experience has been that by allowing the Owner, instead of the EPC, to assume responsibility for these activities, it will allow BWL to greatly manage the associated cost in developing the plant and more importantly meet the timeline for commercial operation.
- A. For ownership offers at existing BWL sites, assume that BWL will complete the interconnection agreements with other utilities to supply gas or water. The BWL anticipates that the parameters of the utility services needed for a project (volume and pressure) would be provided by the developer or EPC team. For local projects, note that the BWL operates the electrical transmission system and will oversee a project's interconnection.
- 5.9. Just south of the Glenrose Ave location is some wooded area that is in between the railroad and Muskegon Ave. Can this area be considered for ESS? Any reason why it was not highlighted like the Landfill?
- A. BWL provided an approximate developable area as a suggestion. It is up to the Bidder's due diligence to determine the utilization of all portions of properties.
- 5.10. What are the overhead line voltages on Muskegon Ave? How many feeders are there?
- A. The overhead line voltages on Muskegon Ave are 3-phase, 13.2 kV distribution. There are currently 2 feeders. Substation and feeder-specific information can be discussed during the interconnection application process.
- 5.11. When were the Glenrose Ave & N Lansing Landfills capped and with what? Cement?
- A. For the purposes of the All-Source RFP assume that the sites in question are capped with approximately 4 ft of clean fill and/or clay and the soil cannot be permanently disturbed or reduced in thickness. The grade of the site and quantity of precipitation infiltration of surfaces must remain the same.

- 5.12. For BWL properties that show a designated site area in Exhibit G that does not incorporate the entire property, can we shift the suggested boundaries of the offered acreage?
A. BWL provided an approximate developable area as a suggestion. It is up to the Bidder's due diligence to determine the utilization of all portions of properties.
- 5.13. For the Coal plant site at 3725 S Canal Rd, Lansing, MI 48917, are we going to be able to utilize the existing electrical infrastructure for interconnection? (Ring-bus or transformers)
A. No, do not assume the reuse of electrical infrastructure at the site. The assets have reached their useful life. The interconnection study will determine what electrical infrastructure will be required. If new infrastructure is required, it does not need to be factored into your bid.
- 5.14. BWL offered two landfill sites and one sludge site. What are the environmental issues and challenges for these sites? Do you have any additional data or studies to share with bidders?
A. Below are brief descriptions of the sites in question. Developers should use appropriate assumptions for developing similar sites and describes these accordingly in their project narratives.

The North Lansing Landfill was a Type III landfill that was utilized from 1980 to 1997. For the All-Source RFP, assume that the BWL will need to maintain 24/7 access to the site for sampling, and any maintenance activities. Additionally, underground infrastructure must be protected.

The Comfort Street property was utilized as a landfill until 1978 and waste was removed in 2008. For the All-Source RFP, assume that the BWL will need to maintain access to the site for sampling and for any maintenance activities.

A portion of the Riverside property is located in the flood plain and it is a storage area for water treatment residuals from BWL's water production plants. For the All-Source RFP, assume that the BWL will need to maintain access to the site for sampling, and any maintenance activities. Weight limitations must be evaluated by bidder if location is selected prior to project installation.

- 5.15. For BWL owned sites, is BWL performing the local jurisdiction permits? Who is taking the zoning risks?
A. For the purposes of the All-Source RFP assume that the developer is responsible for permits and zoning risks.
- 5.16. Looking at 42°45'25.09"N 84°32'4.40"W (1.8 acres) + 42°45'30.10"N 84°31'49.80"W (11 acres) Would the neighboring parcel be available as well (parcel with substation on David St.)? 40.86 acres - why is this not on the list?

A. The above-mentioned parcel is being offered as part of this procurement. Refer to Exhibit G (Available BWL Properties Figures) for more details.

5.17. Parcel 040-034-300-013-00 shows 286.23 acres available but the RFP states 22 acres. Can you provide a map of this parcel?

A. Exhibit G (Available BWL Properties Figures) is now available on the RFP website.

6. Projects Connected to LBWL Distribution and Transmission System

6.1. Is LBWL able to share a map of substations owned and operated by the utility?

A. Exhibit H (BWL Substations and Facilities Map) is now available on the RFP website.

6.2. What is the Interconnection Application Fee? It is not defined in the manual.

A. For local offers, the [BWL's interconnection process](#) document identifies both a filing fee and a fee for the interconnection study. The filing fee is being waived for All-Source RFP respondents. The interconnection study fee is used when an Interconnection Study Agreement is executed. The fee for the interconnection study is the lesser of either 5% of the estimated total cost of the Project or \$10,000. The fee for the interconnection study is non-refundable and is paid at the conclusion of the interconnection study.

6.3. Please confirm the initial interconnection study fee for each of the LBW&L-provided sites. Based on the interconnection study agreement, it appears that the fee would be \$10,000 per site for the initial study but I wanted to confirm?

A. For local offers, the [BWL's interconnection process](#) document identifies both a filing fee and a fee for the interconnection study. The filing fee is being waived for All-Source RFP respondents. The interconnection study fee is used when an Interconnection Study Agreement is executed. The fee for the interconnection study is the lesser of either 5% of the estimated total cost of the Project or \$10,000. The fee for the interconnection study is non-refundable and is paid at the conclusion of the interconnection study.

6.4. Is the interconnection application fee required to be paid upfront? If so, if the proposed project is not selected, will the application fee be refunded?

A. For local offers, the [BWL's interconnection process](#) document identifies both a filing fee and a fee for the interconnection study. The filing fee is being waived for All-Source RFP respondents. The interconnection study fee is used when an Interconnection Study Agreement is executed. The fee for the interconnection study is the lesser of either 5% of the estimated total cost of the Project or \$10,000. The fee for the interconnection study is non-refundable and is paid at the conclusion of the interconnection study.

- 6.5. Would the Bidders only be required to submit payment for the interconnection application if they are selected for a project?
- A. For local offers, the [BWL's interconnection process](#) document identifies both a filing fee and a fee for the interconnection study. The filing fee is being waived for All-Source RFP respondents. The interconnection study fee is used when an Interconnection Study Agreement is executed. The fee for the interconnection study is the lesser of either 5% of the estimated total cost of the Project or \$10,000. The fee for the interconnection study is non-refundable and is paid at the conclusion of the interconnection study.
- 6.6. Where can we locate the Interconnection queue for BWL connected projects?
- A. BWL has no interconnection queue. Refer to Section 6.6 in the All-Source RFP or Exhibit H for more information on the BWL interconnection process.

7. Other Questions

- 7.1. Is there a preference for DC coupled or AC coupled for battery storage?
- A. BWL prefers AC-coupled battery storage systems.
- 7.2. Can municipalities who are retail customers of the BWL participate in the process?
- A. Municipalities and other retail customers are welcome to submit bids as part of this RFP. Municipalities and other retail customers can also participate in BWL's distributed generation program (<https://www.lbw.com/installsolar>).
- 7.3. How can we access the bidders' conference information slides and video recording?
- A. The bidder conference slides and video recording are available on the [RFP website](#).
- 7.4. Please clarify the nature of the involvement Ascend will have in determining the winning bid. Will Ascend have access to pricing and other information for these bids, or will it only be evaluating the potential value of the assets proposed as described in the RFP?
- A. Ascend uses Ascend Market Intelligence forecasting fundamentals and its PowerSIMM™ portfolio analytics and cost-production software to provide unbiased and independent valuations of submitted projects, evaluating proposed pricing, qualitative assessment of project risk, and strategic alignment to BWL objectives. Ascend provides data and analysis to BWL for scoring metrics specified by BWL. Ascend operates under strict confidentiality terms and maintains separation of duties and data from other parts of its business through rigorous application of internal and external firewalls. It is standard practice at Ascend to follow these protocols of separation, which are well vetted and developed to ensure that the strictest of confidential and separation of information is maintained.

- 7.5. Has BWL contracted software for battery storage control, trading, or other services related to this proposal?
A. No, there is no other software or services contracted in conjunction to this proposal.
- 7.6. Does BWL prefer to contract with one vs multiple contractors? Does BWL encourage a bid from multiple companies collaborating with one submission encompassing the entirety of Group A and B?
A. The agreements executed as a result of the All-Source RFP will be between the BWL and a singular entity. The BWL has no preference regarding how a bidder chooses to manage the components of their offer regarding one or multiple contractors. For PPA offers, the BWL expects the bidder to manage all components and contractors required for the proposed offer. Group A submissions must be separate from Group B submissions.
- 7.7. As noted on page 14 of the RFP document: The goal of the All-Source RFP is to select the resource or mix of resources that best meet the BWL's need at the lowest reasonable cost and least risk. With this in mind, during the evaluation phase, will Group A & Group B compete against each other, or will there be one or more selections from each group?
A. All projects will compete against each other to be selected as a resource that best meet BWL's needs at the lowest reasonable cost and risk. BWL will consider the diversity of its portfolio during this process.
- 7.8. With the anticipated increased load from Beneficial Electrification and Electric vehicles - does 475 MW account for that growth? Would BWL welcome meeting that sector growth from Distributed Energy Resources (DER) solutions?
A. BWL welcomes all project types in this procurement as long as they meet the eligibility requirements described in the RFP document. DERs such as behind-the-meter (BTM) solar and storage would be considered Group A. DERs such as demand response or energy efficiency would be considered Group B.
- 7.9. To be eligible for ITC for a standalone storage offer, BWL should maintain the ownership for the EPC offer. Is BWL interested in capturing ITC prior to COD or after?
A. BWL is interested in capturing the ITC value through your most competitive offers.
- 7.10. How will BWL evaluate projects that have a stated COD prior 6/1/2025, but have not finished DPP Phase I in the interconnection process, or have not submitted an interconnection application?
A. For projects connected to MISO zone 7, Bidders must be working towards submitting an interconnection application. As part of the project risk assessment, projects further along the interconnection process will be favored positively.

- 7.11. Should union labor be considered in project estimates?
A. Though prevailing wage at the local level is required, union labor may be considered, but is not mandatory.
- 7.12. Does BWL require the prevailing wage at the local, state, or federal level?
A. Yes, the BWL requires prevailing wage at the local level.
- 7.13. Are there any benefits or points given to submitting a BWL-interconnected project compared to a Zone 7 project?
A. Local projects better fit BWL's strategic goals and will be given some priority over projects in MISO zone 7.
- 7.14. Would BWL consider Combined Heat and Power (CHP) a Group A technology or a Group B energy efficiency product?
A. Combined Heat and Power projects should be considered Group A and submit the corresponding offer form.