# **REQUEST FOR PROPOSALS**

# Solar PV Installations

Issued by:

Municipal Energy Agency of Nebraska

Lincoln, Nebraska

On behalf of

**MEAN Participant Communities** 

July 16, 2021

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#### Summary

The Municipal Energy Agency of Nebraska (MEAN) is issuing this Request for Proposals (RFP) on behalf of eleven MEAN participant communities. These communities are interested in obtaining energy from solar PV installations to be built <u>in their</u> communities (i.e., eleven sites). The participant communities will provide the land, suitably level and cleared of obstructions, and the electrical facilities to the sites. The developer will provide and install the solar PV panels, the inverters, all supporting structures, and all electrical wiring on the sites to the point of interconnection which is defined as the electric meter. Completion is desired by the end of 2022. The bids shall be power purchase agreements (PPA) which include the benefits of the solar investment tax credit (ITC). Individual PPAs should be provided for each community. MEAN will coordinate the RFP process, consideration of the proposals and oversight of the project, on behalf of the communities. All contracts and agreements will be between the developer and the legal representatives of the communities.

#### Background

MEAN's power supply system consists of ownership and contractual rights and interests in various electric generation and transmission resources and supplies. MEAN uses its power supply system to provide wholesale power supply, transmission, and ancillary services to participating municipal utilities. MEAN's 69 participants currently include 41 municipalities in Nebraska, 15 municipalities and one joint-action agency in Colorado, two Wyoming municipalities and 10 Iowa municipalities.

MEAN was created on June 22, 1981, as a political subdivision of the State of Nebraska under the Nebraska Municipal Cooperative Financing Act. The Act authorizes MEAN to plan, construct, operate, participate in or acquire facilities, within or outside the state of Nebraska, for the generation, transmission or distribution of electric power and energy, solely or in common with others. The Act authorizes MEAN to issue its bonds, notes, and other evidences of indebtedness.

MEAN is the total requirements energy provider for its member communities (total requirements participants or TRPs). MEAN is acting on the behalf of member communities to bring economically priced solar energy to the communities. The MEAN communities participating in this RFP hope to obtain lower solar costs with economies of scale through this joint effort than they would if acting individually. Each community must receive approval from the local governance (e.g., City Council) before agreeing to any proposal. Approval by local governance may delay the bid award.

MEAN, as the total requirements energy provider for its TRPs, has established a Renewable Distributed Generation Policy (RDGP) as part of its Asset Management Policies and Procedures (AMPP). DG resources use solar, wind, hydro, biofuel and other renewable forms of energy to generate electricity. MEAN member communities are limited by the RDGP as to the amount of renewable energy (Cap) they may produce or obtain from sources other than MEAN. The Cap is 5% of the three-year average annual MEAN energy delivered to the community or 100 kW-DC, whichever produces the most energy.

#### **Scope of Services**

- The developer will provide, deliver, install, all solar panels, inverters, support structures, on-site wiring, and sustainable ground cover. The developer will obtain all permits to include but not limited to electrical, construction, environmental, and regional power authority permits and reviews. The developer will test all solar panels, inverters, support structures, and on-site wiring.
- 2. The developer will provide a power purchase agreement (PPA) for no less than 25 years. The PPA will include all maintenance, repairs, insurance, performance monitoring, vegetation control, and wiring to the point of interconnection (the electric meter) for the full term on the agreement. The PPA will also contain a decommissioning plan which would include removal of all equipment and structures, or the option for the communities to purchase the facilities at the end of the term. The PPA may include extensions in term. An interactive internet display of the output is required (e.g., instantaneous kW, hourly energy, daily energy, etc.).
- 3. In addition, the developer will present an ownership option to the communities, in place of a PPA. The ownership option will include a warranty period of at least one year from the date of site commissioning. The developer may offer an optional maintenance/repair/replacement plan for the ownership option.
- 4. The electric utility of each community will provide a distribution line to the point of interconnection, step-up transformers, metering, switchgear, and any engineering studies required to connect the solar facility to the distribution system.
- 5. Individual PPAs for each site are desired. The developer may offer proposals which exclude individual communities due to cost. One common price for all communities is desired. However, different prices for each community will be considered. The developer may offer a PPA proposal for some communities and ownership options for other communities. Ownership options are less likely to be accepted due to community finances.
- 6. The PPA shall offer a firm price per kilowatt-hour of AC energy delivered to the point of interconnection for the term of the project. However, alternative proposals with price escalation factors will be considered.
- 7. Energy from these sites will be delivered exclusively to the MEAN communities a party to these agreements. The facilities will not be oversized to provide energy to any other entity.
- 8. The developer may provide optional pricing for assistance in obtaining federal, local, or other grant/incentive-based funding for the solar installation in each community. A lump sum cost to assist with grant assistance for each individual community may be included.

# Participating Communities

Community	Approximate Solar PV kW-DC Output	Approximate Location	Annual kWh AC Limit
Alliance, NE	1,500 kW	42.0942, -102.9213	no kWh limit
	<u>or</u> 3,100 kW	42.0942, -102.9213	5,502,654 kWh
Ansley, NE	135 kW	41.2838, -99.3877	212,102 kWh
Aspen, CO	1,000 kW	to be determined	no kWh limit
Crete, NE	1,000 kW	to be determined	no kWh limit
	<u>or</u> 3,600 kW	to be determined	5,736,609 kWh
Delta, CO	700 kW	38.7449, -1080771	no kWh limit
Pender, NE		0 kW at 42.094, -96.722 0 kW at 42.114, -96.711	no kWh limit no kWh limit
Sergeant Bluff, IA	A 900 kW <u>or</u> 1,850 kW	to be determined to be determined	no kWh limit no kWh limit
Shickley, NE	114 kW	to be determined	180,076 kWh
Stuart, NE	100 kW <u>or</u> 176 kW	42.6142, -99.1421 42.6142, -99.1421	no kWh limit 277,608 kWh
Waverly, IA	4,200 kW	to be determined	6,906,273 kWh
West Point, NE	1,600 kW	41.8333, -96.7195	2,519,511 kWh

#### Total From 10,535 kW to 15,761 kW

Note: Pender will have 50 kW on the community center rooftop and 50 kW at the well field.

# **Project Term**

The term of the project shall be at least twenty-five (25) years of energy production from the date of project commissioning. The developer may offer a longer term. The developer may offer optional term extensions.

#### **Sites and Easements**

Sites will be identified by the communities' electric departments. Sites will remain under community ownership but will be made available for developer energy generation at no cost. The developer is responsible adhere to site use requirements by the communities. The developer is responsible for site preparation. The developer will install a security fence around each installation.

#### Interconnection and Metering

The solar facility will interconnect to the provided distribution line at each community site. Metering equipment shall be purchased and installed by the community's electric department. The communities shall be responsible for all costs associated with extending their electrical facilities to the point of interconnection. The developer shall be responsible for all cost associated with delivering power to the point of interconnection.

#### **Energy Production**

The developer shall submit an energy production forecast in AC kilowatt-hours for the initial twelvemonth period and an estimate of energy production degradation in percent per year for the remainder of the term. Renewable distributed generation production in MEAN communities is limited to 5% of the most recent three-year average annual energy served by MEAN or 100 kW-DC, whichever provides the most energy. Therefore, solar PV facilities must be sized to produce no more than this limit for the community the facility is sited within. The exception to this limit is Sergeant Bluff which is limited by kW output capacity rather than energy. Environmental attributes will remain with the communities.

#### **Inverter Standards**

The inverter(s) must meet the current IEEE 1547 and UL 1741 standards, including voltage and frequency ride-through.

#### Sales and Use Tax

For purposes of sales/use tax, this project falls under Nebraska Sales and Use Tax Regulation 1-017 for Contractors. Iowa sales/use tax follow under Iowa Administrative Rules Chapter 701-219 and Colorado 1 CCR 201-4, 1 CCR 201-5. By definition, a contractor is "any person who repairs property annexed to, or who annexes property to, real estate, including leased property, by attaching building materials to the annexed property or improvement being built or repaired, or who arranges for annexation of property." Please refer to <u>www.revenue.nebraska.gov/salestax.html</u> for Nebraska, <u>https://tax.iowa.gov/iowa-contractors-guide</u> for Iowa, and <u>https://tax.colorado.gov/sites/tax/files/Sales\_6.pdf</u> for additional information.

For calculating this proposal:

- All contractors are to include sales/use tax on materials in the bidder's prices.
- The sales/use tax on building materials is 5.5% within Nebraska. Sales/use tax on building materials varies by state. It is the bidder's responsibility to be familiar with each individual state tax rules and regulations for contractors/construction.
- Contractor labor charges for this proposal are not subject to sales/use tax per Nebraska Department of Revenue Notice to Contractors effective October 1, 2007.
- In submitting this bid, the bidder certifies that he/she will comply with all applicable laws, ordinances and codes of the cities in this RFP and the State of Nebraska, the State of Iowa and the State of Colorado.

#### Decommissioning

The developer shall be required to completely remove the facilities at the end of the term, at no cost above the proposal price. The developer must provide a performance bond for the decommissioning. The developer may offer to sell the facilities to the communities at the end of the term.

#### **Anticipated Project Schedule**

Issuance of RFP July 16, 2021
Questions dueAugust 17, 2021
Q&A Addendum IssuedAugust 20, 2021
Proposals Due (5:00 P.M. C.D.T.) August 31, 2021
Bid opening date and time (1:30 P.M. C.D.T.) September 1, 2021
Bid award dateOctober 27, 2021
Anticipated start date November 8, 2021
Anticipated commercial operation dateJanuary 1, 2023

#### **MEAN Contact Information**

Matt Reed	Office Phone: (402) 473-8225
8377 Glynoaks Drive	Email: mreed@nmppenergy.org
Lincoln, NE 68516	

Secondary contact: Tim Cerveny (402) 474-8270

#### **General Terms and Conditions**

Nothing contained in this RFP shall be construed to require or obligate MEAN or the MEAN communities to select any proposal or limit the ability of MEAN or the MEAN communities to reject any or all proposals in their sole and exclusive discretion. MEAN and the MEAN communities further reserve the right to withdraw and terminate this RFP at any time prior to the execution of a contract. MEAN and the MEAN communities reserve the right to negotiate with any or all Proposers on price and non-price components of the proposal. The submission of a proposal to MEAN shall constitute a Proposer's acknowledgment and acceptance of all the terms, conditions, and requirements of this RFP.

Proposers shall be responsible for all costs and issues associated with proposals; contract negotiations; completion of the contract(s); all taxes, duties, fees and other charges associated with the delivery of the final product under the contract(s); as well as compliance with all local, state and federal laws that may affect the contract(s).

Proposal information is subject to the Public Records Laws of the State of Nebraska (Neb. Rev. Stat. §§ 84-712 et seq.). A proposal is subject to public inspection unless part or the entire proposal meets an exemption from disclosure as defined in Neb. Rev. Stat. §§ 84-712.05. Respondents who include in their

proposals data that they do not want disclosed to the public or used by MEAN or the MEAN communities except for use in the procurement process shall mark the title page of the proposal as "Confidential" and shall mark each sheet/page of data they wish to restrict with the following:

"Use or disclosure of data contained on this sheet/page is subject to the restriction on the title page of this proposal."

If MEAN or a MEAN community receives a public record request for proposal information marked Confidential, we will work with the respondent(s) whose information is being requested and MEAN's attorney to determine what information may be exempt from required disclosure under Nebraska Public Record Laws.

In accordance with the Nebraska Fair Employment Act (Neb. Rev. Stat. § 48-1122) Iowa Civil Rights Act, (Iowa Code section 216.6(1)(a)) and Colorado Fair Employment Practices Act (Colo. Rev. Stat § 27-34-401); Proposer agrees that neither it nor any of its subcontractors shall discriminate against any employee, or applicant for employment, to be employed in the performance of the services with respect to hire, tenure, terms, conditions or privileges of employment because of the race, color, religion, sex, disability or national origin of the employee or applicant.

#### **Requirements of the Proposal**

- The proposal, including the proposal form in Attachment 1, shall be sent to and received by the MEAN contact electronically or via paper hardcopy form by 5:00 P.M. CDT of the proposal due date. Proposals received after the proposal due date will be considered non-responsive and will not be included in the bid review process.
- 2. The proposal shall state a development plan and timeline, which may be different than the expected Project Schedule listed above.
- 3. The proposal shall offer a price per kilowatt-hour AC for the PPA. A total price for construction and community ownership at each non-PPA construction shall also be provided. The bidder may exclude certain towns for cost reasons and state those reasons.
- 4. The PPA proposal may include optional extensions in length of service and/or buy-out options.
- 5. The proposal shall include a decommissioning plan for PPA sites for the end of the agreement.
- 6. The proposal shall list the bidder's qualifications to perform this development work.
- 7. The proposal shall list any exemptions to the Requirements of the Proposal.
- 8. The proposal may include individual lump sum pricing to include grant/incentive-based funding assistance for each community.

#### Attachment 1

# **Proposal Form**

# **PPA Details**

Annual Price Escalation	Energy Price (\$/kWh AC)	Term (years)	Total Capacity Output (kW DC)	Initial 12-month Energy Production (kWh AC)
0%				

## PPA For these Communities

Community	Energy Price (\$/kWh AC)	Capacity to be Installed in Specific Communities (kW DC)	Initial 12-month Energy Production (kWh AC)
Alliance, NE			
Ansley, NE			
Aspen, CO			
Crete, NE			
Delta, CO			
Pender, NE			
Sergeant Bluff, IA			
Shickley, NE			
Stuart, NE			
Waverly, IA			
West Point, NE			

# Facilities Purchase in-lieu of a PPA

Community	Purchase (yes or no)	Capacity to be Installed in Specific Communities (kW DC)	Purchase Price
Alliance, NE			
Ansley, NE			
Aspen, CO			
Crete, NE			
Delta, CO			
Pender, NE			
Sergeant Bluff, IA			
Shickley, NE			
Stuart, NE			
Waverly, IA			
West Point, NE			

PV Panel Degradation in % per year: \_\_\_\_\_

# Grant/Incentive Based Assistance

Community	Lump Sum Cost
Alliance, NE	
Ansley, NE	
Aspen, CO	
Crete, NE	
Delta, CO	
Pender, NE	
Sergeant Bluff, IA	
Shickley, NE	
Stuart, NE	
Waverly, IA	
West Point, NE	

# Proposal Form (continued)

Other information (add additional pages as necessary):	
Proposer's Contact Information	
Company Name:	
Contact Person:	
Phone:	
Email:	
Address:	



Map of MEAN Communities

Attachment 2

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