NOVEC®

**Request for Proposal**

**2015 Solicitation for

Electric Generation Equipment**

*October 1, 2015*

NOVEC

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**PART I — RFP Overview**

1. **Introduction**

Northern Virginia Electric Cooperative (“NOVEC”) is an electric cooperative that generates and distributes electricity for sale to its members within the State of Virginia. NOVEC's service territory encompasses 651 square miles with more than 7,000 miles of power lines. NOVEC provides reliable electric service to more than 160,000 homes and businesses located in Clarke, Fairfax, Fauquier, Loudoun, Prince William and Stafford counties, the City of Manassas Park and the Town of Clifton, all in the Commonwealth of Virginia.

Prior to 2009, NOVEC had its power supply requirements provided under an all requirements contract. Beginning Jan1, 2009, NOVEC exited that all-requirements contract and took on the responsibility of meeting its power supply requirements through a variety of opportunities and products. NOVEC currently meets its supply requirements through power purchase agreements (PPAs) and market products. NOVEC Energy Production, an affiliate of NOVEC, constructed a 49.9-megawatt biomass plant that went commercial in Nov 2013 and is part of NOVEC’s supply portfolio. This RFP is a continuation of NOVEC’s efforts in developing its own power supply portfolio. NOVEC has the responsibility to procure sufficient resources to meet all of its customers’ capacity and energy requirements in a cost-effective manner. NOVEC is a member of PJM and as such has certain obligations for capacity requirements as a Load Serving Entity.

For more information about NOVEC, visit NOVEC’s website at www.novec.com/rfp.

1. **Purpose**

NOVEC is soliciting Proposals for two products; 1) up to 500MW of dispatchable summer unit firm capacity, and 2) up to 200MW of mid-merit peaking capacity through this RFP, dated September 30, 2015. These products can be bid as separate/unique facilities or comingled as long as all characteristics as requested are met.

 The need for additional generation resources to serve NOVEC’s projected customer load was identified in NOVEC’s Integrated Resource Plan (“IRP”). That IRP was prepared as part of NOVEC’s Certificate of Public Convenience and Necessity( CPCN) proceeding related to the construction of the aforementioned biomass plant and identified that NOVEC has a current need for additional generation resources to meet its ever-increasing demand growth. NOVEC is conducting this RFP to seek third-party Proposals in order to fully evaluate and determine the most favorable resource supply option(s) for its customers.

1. **Scope**

NOVEC is soliciting responses from electric generating equipment suppliers to provide any and all equipment necessary for its possible construction of a project capable of meeting all or part of the capacity requirements and the descriptions identified below. The commercial operation date of each completed project is on or before May 31, 2020. All Proposals must utilize an existing, proven technology, with demonstrated reliable generation performance.

The design elevations are between 400 ft. and 450 ft. at Mean Sea Level (MSL). The environmental information for the Proposals is as follows:

1. Design ambient dry bulb temperature for freeze protection design: 10.6°F dry bulb (Contractor to include appropriate margin for 20 mph wind)
2. Design ambient wet bulb temperature for cooling tower design: 77.3°F wet bulb
3. Design relative humidity range: 0% to 100%
4. Design Barometric Pressure: 28.96 inches Hg absolute (annual average)
5. Climate station for design is Danville, Virginia

Suppliers are invited to bid on one or both products on an individual basis and may also submit an additional comingled Proposal.

**D. Communications**

* 1. Proposal Submittals

Bidders must submit Proposals on or before Dec 9, 2015 in both a hard-copy and electronic format. In addition to the information and instructions provided in this REP document, please refer periodically to the RFP website www.novec.com/rfp for additional information, announcements and updates that may be provided.

* 1. Bidder Questions & Answers

NOVEC will make available regularly to the RFP respondent email communication address a list of Frequently Asked Questions with respect to the RFP process. Bidders may also submit questions to NOVEC concerning this RFP process via email to 2O15EquipRFP@novec.com. Please note that such questions may not be treated as confidential, and the question and answer may be shared for the benefit of other interested parties via the RFP website. The allowable period for submission of questions from Bidders will conclude on November 3, 2015.

* 1. Company Questions & Answers

Proposals with material omissions will be deemed non-responsive and may be eliminated from consideration by NOVEC. Note that NOVEC does not plan to contact Bidders in the event of such non-conforming Proposals prior to elimination.

However, in addition to the information requested from Bidders in this RFP document, NOVEC may have the need for clarifications or additional information as part of its review of Proposals. In such case, NOVEC will call or email the designated Bidder contact. Prompt responses to these questions will be required in order to maintain a responsive Proposal. Bidders are asked to not call or inquire on the status of their solicitation or bid inquiry once the process is underway.

**E. Modifications to RFP**

NOVEC reserves the right to modify this RFP for any reason and at any time. Such changes will be communicated to Bidders who submit a valid Intent to Bid Form.

**F. Confidentiality**

NOVEC will take reasonable precautions and use reasonable efforts to maintain the confidentiality of all Proposals submitted, which will be subject to the protections provided under the CA. Bidders should clearly identify each page of information considered confidential or proprietary.

**G. Miscellaneous**

1. NOVEC may procure more or less than the amount of unit capacity solicited in this RFP from one or more Bidders and Bidders may propose facilities offering all or a portion of the solicited unit capacity. Bidders are advised that any contract executed by NOVEC and any selected Bidder may not be an exclusive contract for the provision of unit capacity as described above. Bidder will be deemed to have acknowledged that NOVEC may contract with others for the same or similar deliverables or may otherwise obtain the same or similar deliverables by other means and on different terms.
2. NOVEC reserves the right, without qualification and at its sole discretion, to select any
Proposal(s) or reject any and all Proposal(s), or waive any formality or technicality in any
Proposal(s) received. Bidders who submit Proposal(s) do so without recourse against the
Company for either rejection by NOVEC or failure to execute for any reason.
3. NOVEC shall not reimburse Bidder and Bidder is responsible for any cost incurred in the preparation or submission of a Proposal(s) submitted in connection with this RFP.
4. The information provided in the RFP, or on NOVEC’s REP website, has been prepared to assist Bidders in evaluating the RFP. It does not purport to contain all the information that may be relevant to Bidder in satisfying its due diligence efforts. NOVEC makes no representation or warranty, expressed or implied, as to the accuracy, reliability or completeness of the information in the RFP, and shall not be liable for any representation expressed or implied in the RFP or any omissions from the RFP, or any information provided to a Bidder by any other source.
5. Bidders should check NOVEC’s RFP website regularly, to ensure it has the latest documentation and information. Neither NOVEC nor its representatives shall be liable to any Bidder or any of its representatives for any consequences relating to or arising from the Bidders use of outdated information.
6. Bidder shall hold NOVEC harmless from all damages and costs, including but not limited to legal costs, in connection with all claims, expenses, losses, proceedings or investigations that arise as a result of the RFP or the award of a bid pursuant to the RFP.
7. The submission of a Proposal to NOVEC shall constitute Bidder’s acknowledgment and acceptance of all the terms, conditions and requirements of this RFP.

**PART II — Proposal Evaluation**

1. **Evaluation Process**
2. Review for Completeness

For Proposals received by the submittal deadline, NOVEC will open and review all responses for completeness and responsiveness. Failure to provide the requested information in accordance with the submittal requirements described in Part III A and in conformance with Part I C may result in disqualification of the Proposal.

1. Review for Scope Compliance

NOVEC will then review Proposals for compliance with the RFP scope as described in Part I C. Any Proposal not conforming to one or more of the RFP scoping factors may be eliminated from further consideration. As part of a Proposal, Bidder may offer additional or alternative Proposals; however, the base Proposal must comply with the RFP scoping factors listed herein.

**PART III** **— Proposal Submittals**

1. **Proposal Requirements & General Instructions**

Prior to submitting Proposal(s), Bidders will be required to have completed “Intent to Bid Form” and executed a Confidentiality Agreement. Bidders may submit more than one Proposal. For multiple Proposals related to a single facility, Bidders may provide a single Proposal submittal package that clearly identifies the Proposals’ differences. For Proposals that are based on different facilities, Bidders should provide a complete and separate Proposal submittal package for each Proposal.

All proposals will include technical, performance and operational specifications for their respective equipment as identified in Addendum A and including the following;

1. Heat rate curves over the full operating output curve
2. Performance curves over the full operating temperature range
3. Start-up sequence and schedule from initiation to synchronization and then to full load; include any purge requirements as needed
4. Fuel delivery requirements
5. Water balance for cooling, inlet chilling, fogging, steam and makeup requirements and any other water requirements necessary for operations
6. Comparative curves for changes between multiple Proposals
7. For combined cycle unit Proposals provide both the simple cycle and combined cycle operating and performance information as discussed above.

Bidders must submit Proposal(s) on or before December 9, 2015 no later than 5:00 PM EST.

The purpose of these requirements and instructions is to acquire sufficient information from all Bidders that will ensure a uniform and impartial evaluation and ranking of each Proposal(s).

1. **Proposal Summary Submittal**

Bidder’s Proposal Summary must be provided in Microsoft Word or Adobe Acrobat PDF file format, and contain the following information. Please maintain the order and content as listed below to facilitate the review of Proposals.

1. Bidder Name, Contact information and Bidder Affirmation

Proposal(s) must be submitted in the legal name of the actual party or the ultimate “upstream” organizational entity that would be bound by any resulting purchase agreement with NOVEC and authenticated by an officer or other employee who is authorized to bind Bidder to a purchase agreement based on the Proposal(s).

The first page of the Proposal shall list the Bidder and the Bidder Contact Information (Name, Title, Phone, Email Address, and Mailing Address).

Additionally, it should include the following statement, signed by an authorized representative of Bidder:

“1, \_\_\_\_\_\_\_\_, am an authorized representative of \_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“Bidder”) and hereby certify and affirm that: (i) I am authorized to obligate the Bidder to the terms of its Proposal; and (ii) the Bidder’s Proposal shall remain binding until Mar 3, 2016; and (iii) neither Bidder nor any person or entity acting or purporting to act on its behalf or with Bidder has entered into any combination, conspiracy, agreement or other form of collusive arrangement with any person, corporation, partnership or other entity, which directly or indirectly has to any extent lessened competition between the Bidder and any other person or entity for this RFP.”

1. Proposal Summary: Please provide a brief summary of the Proposal, including key information of the equipment.

**If submitting multiple Proposals for a single product, please clearly identify and summarize each Proposal in a single Summary.**