Request for Information

Solar Energy Development Project

RFI Issuance Date: January 15, 2015

RFI Closing Date: March 13, 2015
Introduction

The Virginia Office of Public-Private Partnerships (“VAP3”), in coordination with the Virginia Department of Mines, Minerals and Energy (“VDMME”), is issuing this Request for Information (“RFI”) to solicit responses to questions presented in this document related to the potential for a Solar Energy Development Project (the “Project”). The parties are seeking information that will help with the evaluation of potential options for the development, procurement and delivery of the Project. This RFI is intended solely to obtain information to assist the parties with ongoing development of a Detail-Level Screening, as well as further development of financial viability for the Project.

This RFI is intended to solicit responses from individuals, firms, teams or organizations that have experience with solar energy development projects. Specifically, this RFI:

- provides general background information related to the Project;
- identifies completed activities and possible future milestones; and
- solicits input on a variety of issues, including potential scope of the Project, the most viable financing models and schedule considerations.

This RFI is an inquiry only. No contract or agreement will be entered into as a result of this process, nor does this RFI initiate a formal procurement or represent a commitment to issue a Request for Qualifications (“RFQ”) or Request for Proposals (“RFP”) in the future. Those choosing to respond to this RFI will not, merely by virtue of submitting such a response, be deemed to be “bidders” on the Project in any sense, and no such respondent will have any preference, special designation, advantage or disadvantage whatsoever in any subsequent activities related to the Project. The information contained in the responses to this RFI, however, will help VAP3 to advance evaluation and development efforts for the Project, which may result in the launch of a formal Project and associated procurement activities.

Background

A new Virginia Energy Plan (http://www.dmme.virginia.gov) was released by VDMME on October 1, 2014. In part, the Virginia Energy Plan centered on growing Virginia’s energy economy with a particular focus on renewable energy, especially solar and wind energy. The Virginia Energy Plan also called for measures to reduce energy consumption statewide, resulting in Executive Order 31 released on October 16, 2014 and Executive Order 36 released on December 10, 2014 (https://governor.virginia.gov). The McAuliffe administration intends to create a state solar energy development authority, which would facilitate solar energy public-private partnership (“P3”) projects.

In the U.S., state agencies are looking for innovative ways to utilize solar energy P3s to optimize the use of state-owned property, raise additional revenues and become more environmentally responsible. Thus, to explore whether solar energy opportunities in Virginia could unlock additional revenues to keep facilities in a state of good repair and further Virginia’s current energy initiatives, VAP3 is assessing whether solar energy development at, around, and/or atop state-owned property and/or buildings would make business
Potential Locations

State agencies administer a variety of state-owned properties and real estate parcels across Virginia. For example, the Virginia Department of Transportation (“VDOT”) administers right-of-way (“ROW”) properties, including adjacent land to interstates and sound barrier walls. VDOT also administers state-owned properties not considered ROW, including, but not limited to: central headquarters, district offices and facilities, regional offices and facilities, operations and maintenance facilities, and Park and Ride sites.

This RFI seeks information regarding the best potential site locations among Virginia’s state-owned assets to narrow the scope of a potential Project and optimize the value to Virginia. Please see the VAP3 website for additional resources (http://www.p3virginia.org/projects/solar-energy-development/), including an inventory of state owned real estate and Park and Ride sites.

Completed Activities and Possible Future Milestones

This RFI is an inquiry only and the possible future milestones are for informational purposes only.

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<thead>
<tr>
<th>Completed Activities</th>
<th>Completion Date</th>
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<tr>
<td>High-Level Screening Report Completed</td>
<td>July 18, 2014</td>
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<tr>
<td>RFI Issued by VAP3</td>
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<th>Possible Future Milestones</th>
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<td>Potential One-on-One Meetings</td>
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<td>RFQ issued by VAP3</td>
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<td>RFP issued by VAP3</td>
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Instructions to Responders

The questions to which VAP3 is seeking responsive information are set forth below in Information Requested. While there is no page limit in answering the questions, any other information, including marketing materials, is limited to three pages. The respondent should be as concise as possible. Responses should demonstrate an understanding of, and express clearly the respondent’s perspective on, the issues involved with a given question. A respondent, however, need not feel compelled to provide a response to each and every question. VAP3 IS NOT REQUESTING A PROPOSAL, DETAILED PLANS, MARKETING MATERIAL, BUDGETARY INFORMATION OR PRIORITARY INFORMATION IN RESPONSE TO THIS RFI.

Respondents should submit their responses as follows:
- An electronic version of the written response (in .pdf format) must be sent via e-mail to Alexandra Lauzon at Solar.Energy@p3.virginia.gov

Responses shall be submitted on or before March 13, 2015. Responses must include the name and address of the respondent and the phrase “VAP3 Request for Information Response – Solar Energy Development” clearly indicated in the subject line of the e-mail accompanying the electronic version of the response.

Upon receiving a response, VAP3 will initiate a review and may contact the respondents to follow up with additional questions and clarifications or to offer to conduct one-on-one meetings with some or all the respondents. The opportunity to participate in such meetings, if any, will be communicated separately to respondents that have provided a point of contact.

VAP3 welcomes feedback on the Project and understands that a variety of individuals, firms, teams and organizations will respond to this RFI. Please ask any questions that you or your organization deem relevant. Thank you in advance for your participation.

Information Requested

General
1. What relevant qualifications and experience does the respondent have in developing and delivering large (>100kW) solar energy projects?

2. What specific experience does the respondent have in third-party financing of solar energy projects completed or underway on publicly-owned property, especially ROW property? Please provide contact information for the public agencies for which these projects were developed.

3. Are there any particular concerns with any of the information that has been provided in this RFI? Please explain those concerns and provide proposed solutions or mitigations to address those concerns.

4. Do you foresee state or federal legislative issues that would hinder the feasibility of the Project? If so, then what are they and how could they be resolved?

Project Structure and Development

Delivery Method
5. What delivery methods are available for this Project? What are the advantages of each delivery method? What are the disadvantages of each delivery method? Which delivery method does the respondent prefer and why?

6. What are the key success factors facilitating and barriers impeding success that would make delivering a solar energy project more or less likely in Virginia?

7. What are the advantages and disadvantages of one large singular site versus multiple sites packaged together into one project?
8. If multiple sites were packaged together, then what are the possible packaging options? What are the advantages and disadvantages of each option? Which option does your firm prefer? Some possible packaging options may include:
   • Total project capacity as single award
   • Bidding blocks (e.g., with each respondent proposing a minimum of 1MW)
   • Allow bidders to “cherry pick” the list
   • Quote each facility/site separately
   • Group into blocks by system types and sizes, by building types & sizes, by financing mechanism, by geography, etc.
   • Include a minimum system size (e.g., 100 kW or 250kW)

Project Site
9. Based upon the information provided in this RFI, what type of site defined by location, size and other relevant characteristics presents the best opportunity for placement of a solar energy project in Virginia and why?

10. What type of site offers the best opportunity for replication on other sites in Virginia? What are the advantages and disadvantages of this type of site?

11. How should sites be pre-qualified for bid without the time and expense of detailed engineering at each site? What site assessment tools or qualifiers should be utilized?

12. What information would a private developer require in order to facilitate project development?

Commercial and Financial Structure
13. Based upon the delivery methods identified above, who would own the assets, equipment and capital plant in each delivery method? What are the essential terms of the contract for these delivery methods, including the optimal concession period?

14. What financing structure is the most feasible and would provide the best value for Virginia?

15. Do you anticipate public or utility (other than adopted tariffs) funding or incentives being available for the Project? If so, then what would be the anticipated source of these funds or incentives and how do they add value to the Project?

16. Is a solar energy project installation and operation possible without a public subsidy, and if not, what specific subsidies would be required, from whom and why?

17. What threshold financial arrangements would be necessary or other critical factors resolved to successfully complete the Project? Please outline in order of relative importance.

Project Schedule and Solicitation

Schedule
18. What major steps are needed from Notice of Award for the Project to full operation of the Project? What are the approximate elapsed times associated with these identified steps? What are the key decision points in the process (including go/no go decisions) and why?

19. What are the critical path items for the procurement for this Project and why?
20. The currently available federal incentives require an expedited time frame due to expiration December 31, 2016. Does this constraint pose a threat to utilizing these incentives for the Project?

Solicitation

21. Looking ahead, would the respondent be interested in submitting a committed proposal for the development of the Project? Are there any particular concerns that may prevent the respondent from engaging in the project development? How might those concerns be resolved?

22. What are the key elements of a RFQ for a solar energy project? Please provide references to other RFQs that have effectively elicited innovative proposals for solar energy projects on publicly-owned property and resulted in successfully completed projects.

23. What is the minimum amount of time that your firm requires for developing and submitting a Statement of Qualifications (“SOQ”) for the Project after issuance of a potential RFQ?

24. What are the key elements of a RFP for a solar energy project? Please provide references to other RFPs that have effectively elicited innovative proposals for solar energy projects on publicly-owned property and resulted in successfully completed projects.

25. What is the minimum amount of time required by the respondent for developing and submitting a committed detailed proposal for the Project after issuance of a potential RFP?

Additional Considerations

26. Please provide any comments on other creative project scope ideas, procurement options, technical considerations, etc. that VAP3 should take into account.

27. What are the top risks for successful delivery of this Project and why? What potential impact could the identified risks have? What potential mitigation strategies could be employed to decrease the identified risks?

28. In the respondent’s experience, what type of public benefit and economic development could a large solar energy project (>100kW) foster in terms of new businesses and job creation?

29. What challenges related to communication with local officials, communities and business does the respondent foresee and what strategies are suggested to be employed to maintain open and transparent relationships?

30. Other than the answers already provided, what information would help the respondent make the business decision to engage in the development of the Project?
The Virginia Freedom of Information Act, § 2.2-3700 (Code of Virginia), guarantees citizens of Virginia and representatives of the media access to public records held by public bodies, public officials, and public employees. All materials submitted by respondent shall be handled in accordance with the Freedom of Information Act and any other laws and regulations applicable to the disclosure of documents submitted under this RFI. In no event shall VAP3, VDOT, other agencies of Virginia or any of their agents, representatives, consultants, directors, officers or employees be liable to a respondent for the disclosure of any materials or information submitted in response to this RFI.

VAP3 may disclose the contents of all responses to this RFI, except the parts that may be treated as confidential in accordance with § 2.2-3705.6 of Freedom of Information Act. Each respondent, by submitting a response to this RFI, consents to such disclosure and expressly waives any right to contest such disclosure under the Freedom of Information Act.

If a respondent has special concerns about information which it desires to make available to VAP3, but which it believes constitutes a trade secret, proprietary information, or other information exempted from disclosure, such respondent shall specifically and conspicuously designate that information by placing “CONFIDENTIAL” in the header or footer of each such page affected, and in a separate letter explain why that material should be exempt from public disclosure. Blanket designations that do not identify the specific information shall not be acceptable and may be cause for VAP3 to treat the entire response as public information. VAP3 will not advise a submitting party as to the nature or content of documents entitled to protection from disclosure under the Freedom of Information Act or other applicable laws, as to the interpretation of such laws or as to definition of trade secret. The provisions of the Freedom of Information Act or other laws shall control in the event of a conflict between the procedures described above and the applicable law.

In the event of any proceeding or litigation concerning the disclosure of any response or portion thereof, the respondent shall be responsible for otherwise prosecuting or defending any action concerning the materials at its sole expense and risk; provided, however, Virginia reserves the right, in its sole discretion, to intervene or participate in the litigation in such manner as it deems necessary or desirable. All costs and fees (including attorneys’ fees and costs) incurred by Virginia in connection with any litigation, proceeding or request for disclosure shall be reimbursed and paid by the respondent whose response is the subject thereof.

Point of Contact

All communications, questions and responses associated with this RFI must be addressed to the following point of contact:

Alexandra Lauzon
Virginia Office of Public-Private Partnerships
600 E. Main Street, Suite 2120
Richmond, VA 23219
Alexandra.Lauzon@p3.virginia.gov
Phone: 804-786-0441