

PSC #02-19-14
Offshore Wind Analyses and Application Review
Minutes from Pre-Proposal Conference
May 6, 2014 @ 11:00AM

Conflict of Interest Statement

Having worked on PSC #12-01-13 does not disqualify you from working on PSC #02-19-14.

Per statute and regulations, it could be considered a conflict of interest if you were a Prime or a Sub-Contractor on solicitation PSC #02-19-14 and plan on representing or working with a company who will be submitting an application with the Commission for an Offshore Wind Project.

Refer to COMAR 21.05.08.08 and the Annotated Code of Maryland, State Government Section 15-508.

Although COMAR 21.05.08.08E gives the Commission's Procurement Officer with the Agency Head's approval the ability to waive conflicts of interest subject to the regulation, if such waiver is in the best interest of the State.

Companies that plan on putting in a proposal and know there may be a conflict or a potential conflict of interest should disclose the information in their proposal and state why a waiver would be in the State's best interest and what measures will be put in place to mitigate the conflict.

The Commission will not pre-waive or disqualify any company at this time.

Clarifications and Reminders

1. All contact prior to award should be with the Procurement Officer.
2. Closing date and time for proposals is: June 13, 2014 @ 11:00AM. Any proposals received after that time will not be considered.
3. The Commission intends to make up to two (2) awards as a result of this RFP.
4. The contract that results from this RFP is a combination of a Fixed Price contract and a Time and Material contract. The Contractor will be paid for the actual hours worked by each team member (including any sub-contractors) listed on the financial proposal form, but only up to the firm Not-to-Exceed Labor Amount. The Contractor will be reimbursed for the actual cost of expenses, but only up to the Not-to-Exceed Expense Amount quoted in section B of the Financial Proposal Form.
5. The contract will be for a three (3) year period.
6. In order to be awarded a contract by the State of Maryland, a vendor must be registered with eMarylandMarketplace ("eMM"). It is free to register and vendors are encouraged to register before submitting a proposal.

7. The Commission is requiring a copy of all proposals with confidential information blacked out for Public Information Act (“PIA”) request. The majority of information received on solicitations is public information and as such is available upon a written request. In section 4.4.2.2 the Offeror is required to list any confidential information contained in the proposal. Upon award, a letter will be distributed and posted on eMM and PSC’s website listing all Offerors with the financial information and the ranking of each proposal.

8. Substitution of any personnel listed in the original proposal including sub-contractors, must be approved by the Contract Manager. See section 1.23.

9. To be awarded a contract with the State of Maryland, a business entity must be registered with the State Department of Assessments and Taxation (“SDAT”). If you are the “proposed” awardee, you must provide the Commission with your SDAT’s Department ID within five (5) business days of notification. See section 1.28.

10. Review section 1.33 Minority Business Enterprise Goals (“MBE”) closely. An MBE goal of 20% has been set for this solicitation. In searching the Maryland Department of Transportation’s (“MDOT”) MBE website, fifty-one (51) MBEs were located. The following NAICS Codes were used: 541310, 541620 and 541690. The following key words were used: offshore, wind energy, wind power, energy consultant, renewable energy, utilities and environmental consulting.

If an Offeror fails to submit a (correctly) completed D-1 attachment with the proposal as required, the proposal shall be determined to be not reasonably susceptible of being selected for award.

Review all MBE forms. If there are any questions or if clarifications are needed, contact the Procurement Officer. If during the MBE search process, it is determined a waiver (in full or in part) may be needed, make sure the process is documented.

11. Up to two (2) contracts could be awarded for this RFP:
1. Section 3.2.1 Estimating the Need for Transmission Upgrades and Associated Costs
 2. Section 3.2.2 Evaluation of Applications to the Commission for the Approval of a Proposed Offshore Wind Project.

If an Offeror plans on submitting a proposal for each of the above scopes of work, **two (2) completely separate proposals** will be needed, including the minimum qualifications and all attachments.

The Commission is requiring your minimum qualifications be presented in a table/chart (see section 2.1.2 and 2.2.2) with a narrative immediately following.

12. Section 3.5 Invoicing
Refer to this section for required submission for invoices to be approved for payment.

13. ***Refer to Section 4 – Proposal Format***
Your proposal needs to follow the format listed with the “**TAB**” information followed. This proposal set-up allow the review and evaluation process to move smoothly.

14. Refer to Section 5.5.2 - Selection Process Sequence

Step 1 & 2 can disqualify the proposal and stop the review process.

Step 1 - The required attachments in TAB M will be reviewed. If any required attachment is missing or not filled out correctly, the proposal will be deemed not reasonably susceptible for award and be sent back to the Offeror.

Step 2 – The minimum qualifications will be reviewed. If they are not met, the proposal will be deemed not reasonably susceptible for award and be sent back to the Offeror.

15. Attachment C – Contract Affidavit In checking the box for the type of company, “domestic” means a Maryland company and “foreign” means outside of Maryland.

16. During the conference, it was stated that the two (2) Veteran Owned Small Businesses (“VOSB”) found during the search of the VETBIZ website would be listed in the minutes. Since there is no VOSB goal, the businesses will not be listed. If you are interested in including a VOSB goal, contact the Procurement Officer directly for the names of the VOSBs that were located and the VOSB forms.

Questions and Answers

Q1. Can an MBE be listed as a sub-contractor on multiple proposals?

A1. Yes. Since only one (1) award for each scope of work will be made, an MBE can be listed as a team member(s) on more than one (1) proposal for any scope of work.

Q2. In Section 3.2.2.D.1, for the “industry accepted ratepayer impact model” and “industry accepted production cost and economic input-output models,” is the consultant required to independently run such models with the Applicant inputs or evaluate and review the model runs of the Applicant?

A2. The statute requires the applications to have the analysis of those tests as part of the submission to the Commission. The proposed regulations suggest that the inputs as well as the Applicants’ own analysis will be submitted as part of the application so the Consultant will be using inputs and their own model to create an apple to apple comparison between all applications that may be submitted. The Consultant will review the analysis of the Applicant. The Consultant will also be required to independently run such models using the inputs included in each application.

Q3. Is there any preference on submitting proposals for both scopes of work?

A3. Each scope of work will be reviewed separately, which is why two (2) complete proposals are required. There is always the chance that the same Offeror could be selected for both scopes of work, but there is no preference for that possibility.

Q4. Does the Commission have a power flow model that can be given to the Offerors to use for this project?

A4. No. The Consultant is required to supply the power flow models.

Q5. In Section 3.2.1, you differentiated between transmission upgrades and interconnection facilities. Could you restate that?

A5. The differentiation is that the interconnection upgrades that will likely be required from a project are to be sustained by the Applicant. The interconnection fees would be the responsibility of the developer. Pertaining to the direct transmission upgrades, the Commission is seeking to find out if they are required and if so what is the cost of any necessary upgrades. The developer has to figure out how to get to the sub-station; the Commission is looking to see/address the possible cost for the rest.

Q6. Is the developer also responsible for dealing with voltage surges in the power supply?

A6. Yes. We do not have any information from PJM Interconnection suggesting the responsibilities for a potential offshore wind developer will differ on this issue.

Q7. Is there a limit to the amount of information an Applicant can submit due to the amount of time involved?

A7. No. The legislation has requirements that must be met for application submission. The requirements for administrative completeness and minimum threshold are not reviews on the merits, they are reviews for completeness, *i.e.* Is the information included in the application? When you get into the quantitative and qualitative review of the applications, the volume of information is whatever is needed to complete the record. There is a review time that the Commission is locked into by the statute; within one hundred eighty (180) days from the close of the application period, the Commission must announce if they are going to conditionally approve, approve or deny an application(s). The process is locked into that six (6) month review time.

Q8. What are your needs in the ranking/weighting of applications, what factors?

A8. The Commission is seeking assistance with evaluating whether proposed projects fulfill their statutory obligations. According to the statute, a project must demonstrate a positive net economic, environmental and health benefit for the State of Maryland and must also present a cost benefit analysis, both quantitative and qualitative. Although the legislation is prescriptive about which factors must be considered in the Commission's evaluation of an application, the legislation does not specify how the factors should be weighted. The Contractor is expected to make recommendations to the Commission concerning the applications, using its own recommended weighting of the factors.